

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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Sub-Committee on Trade  
of Least-Developed Countries

AD HOC CONSULTATIONS BETWEEN INDIVIDUAL LEAST DEVELOPED COUNTRIES  
AND THEIR TRADING PARTNERS

Republic of the Sudan

Note by the Secretariat

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List of country names and abbreviations

AGO	ANGOLA	DOM	DOMINICAN REPUBLIC	LBR	LIBERIA	RNC	REUNION & COHORO
ALB	ALBANIA	DZA	ALGERIA	LBY	LIBYAN ARAB JAHARIK.	RWA	RUANDA
AND	ANDORRA	ECU	ECUADOR	LCA	SANT LUCIA	SAS	SOUTH & S-E ASIA, NES
ANT	NETHERLANDS ANTILLES	EEC	E.E.C.	LIE	LIECHTENSTEIN	SAU	SAUDI ARABIA
ARE	UNITED ARAB EMIRATES	EGY	EGYPT (U.A.R.)	LKA	SRI LANKA	SDH	SUDAN
ARG	ARGENTINA	ESH	WESTERN SAHARA	LSO	LESOTHO	SEN	SENEGAL
ARS	ARABIAN STATES, NES	ESP	SPAIN	LWV	LEWARD & MINDWARD	SGP	SINGAPORE
ASI	ASIAN COUNTRIES	ETH	ETHIOPIA	HAR	HOROCCO	SUN	ST HELENA & DEPEND
ASH	AMERICAN SAHOA	FAF	FRENCH AFRIKA NES	HDO	HADAGASCAR	SLB	SOLOMON ISLANDS
ATB	BRITISH ANTARC. REG	FIN	FINLAND	HVY	HADIVES	SLE	STERRA LEONE
ATF	FRENCH ANTARC. TERR.	FJI	FJI	HEX	MEXICO	SLV	EL GALVADOR
ATO	ANTIGUA AND BARBUDA	FLK	FALKLAND IS. & DEP.	HID	HIDWAY ISLANDS	SOM	SOMALIA
ATN	DRONNING HAUD LAND	FMT	FRENCH ANTILLES	HJI	HALI	SPA	SPANISH AFRICA
AUS	AUSTRALIA	FOC	FRENCH OCEANIA, NES	HMT	HALTA	SPH	ST PIERRE & MIQUELON
BDI	BURUNDI	FRA	FRANCE	HNG	HONGOLIA	STP	SAO TOME & PRINCIFE
BEN	BENIN	FRO	FAEROE ISLANDS	HNO	HONZABIQUE	SUN	U.S.S.R.
BGD	BANGLADESH	GAB	GABON	HRT	HAURITANIA	SUR	SURINAHE
BGR	BULGARIA	GBR	UNITED KINGDOM	HSR	HONTERRAT	SWE	SWEDEN
BIH	BAHRAIN	GEL	GILBERT & ELLICE IS	HTQ	HARTINIQUE	SWZ	SWAZILAND
BHS	BAHMAS	GHA	GHANA	HUS	HURTITUS	SYC	SEYCHELLES
BLX	BELGIUM-LUXEMBOURG	GIB	GIBRALTAR	HVI	HALAVI	SYR	SYRIAN ARAB REPUBLIC
BLZ	BELIZE	GIN	GUINEA	HYS	HALAYSIA	TCA	TURKS & CAICOS IS.
BHU	BERHUDA	GLP	GUADELOUPE	NAH	NAHIDIA(S.V.AFRICA)	TCD	CIAD
BNL	BELG.-NETH.-LUX.	GMB	GAMBIA	NCL	NEW CALEDONIA	TGO	TOGO
BOL	BOLIVIA	GNB	GUINEA-BISSAU	NER	NIGER	THA	THAILAND
BRA	BRAZIL	GNQ	EQUATORIAL GUINEA	NFK	NORFOLK ISLAND	TKL	TOKELAU
BRA	BARBADOS	GRC	GREECE	NGA	NIGERIA	THP	EAST TIHOR
BRN	BRUNEI	GRD	GRENADA	NIC	NICARAGUA	TON	TONGA
BTH	BIUTAN	GRL	GREENLAND	NTU	NIUE	TTD	TRINIDAD & TOBAGO
BUR	BURMA	GTH	GUATEMALA	NOR	NORWAY	TUN	TUNISIA
BVT	BOUVET ISLAND	GUF	FRENCH GUIANA	NPL	NEPAL	TUY	TUVALU
BVA	BOUWANA	GUH	GUAM	NRU	NAURU	TZA	UNITED REP. TANZANIA
CAF	CENTRAL AFRICAN REP.	GUY	GUYANA	NTZ	NEUTRAL ZONE	UGA	UGANDA
CAN	CANADA	HKG	HONG KONG	NZL	NEW ZEALAND	UNS	UNSPECIFIED
CCK	COCOS (KEELING) ISL.	HRD	HEARD & MCDONALD IS	NZT	N.Z. TERRITORIES	UNT	U.S. ANTILLES, NES
CHE	SWITZERLAND	IND	INDONESIA	OAA	ARCTIC-ANTARCTIC, NES	URY	URUGUAY
CHL	CHILE	INT	HAITI	OAF	OTHER AFRICA, NES	USA	UNITED STATES
CHN	CHINA	IUN	HUNGARY	OAN	OTHER ASIA N.E.S.	USO	U.S. OCEANIA
CIV	IVORY COAST	IOT	INDIAN OCEAN TERI	OAT	AUSTRALIAN TERR. NES	VAT	VATICAN CITY STATE
CLA	COHOMV. LATIN AMER.	IND	INDIA	OCE	OTHER OCEANIA NES	VCT	ST VINCENT GRENADINE
CHR	UNITED REP. CAHEROON	IRL	IRELAND	OHN	OHAN	VEN	VENEZUELA
CNT	COHOMV. ANTILLES, NES	IRN	IRAN, ISLANIC REP	PAF	PORTUGUESE AFRICA	VGB	BRITISH VIRGIN IS.
COA	COHOMV. AFRICA, NES	IRQ	IRAQ	PAK	PAKISTAN	VIR	U.S. VIRGIN IS.
COC	COHOMV. OCEANIA, NES	ISL	ICELAND	PAN	PANAMA	VVR	VIET NAM
COG	CONGO, REPUBLIC	ISR	ISRAEL	PAS	PORTUGUESE ASIA	VUT	VARUATU
COK	COOK ISLANDS	ITA	ITALY	PCI	PACIFIC TRUST TERR.	WAK	WAKE ISLAND
COL	COLOMBIA	JAH	JAMAICA	PCN	PITCAIRN ISLAND	WLF	WALLIS & FUTUNA IS.
COH	COHOROS	JOR	JORDAN	PER	PERU	WSH	SAHRA
CPV	CAPE VERDE	JPN	JAPAN	PHL	PHILIPPINES	YEH	YEMEN
CRI	COSTA RICA	KBT	KIRIBATI	PRG	PAPUA NEW GUINEA	YUG	YUGOSLAVIA
CSK	CZECHOSLOVAKIA	KEN	KENYA	POL	POLAND	ZAF	SOUTH AFRICA
CTE	CANTON & ENDERBURY	KHM	DEMOCRATIC KAMPUCHE/	PRI	PUERTO RICO	ZAR	ZAMBIA
CUB	CUBA	KNA	ST. KITTS-NEVIS-ANGL/	PRK	PORUGAL	ZHB	ZAMBIA
CXR	CHRISTMAS ISLAND	KOR	KOREA, REPUBLIC OF	PRY	PARAGUAY	ZOI	ZONE 1
CYI	CAYMAN ISLANDS	KWT	KUWAIT	PWA	PORT. WEST AFRICA, NES	ZOB	ZONE 2
CYP	CYPRUS	LAI	LATIN AMERICAN CTRII	QAT	QATAR	ZOB	ZONE 2
DDR	GERHANY, DEHOCR. REP	LAO	LAO PEOPLE'S DEH REI	REU	REUNION		
DEU	GERHANY, FEDERAL REP	LEB	LEBANON				
DJI	DJIBOUTI						
DHA	DOMINICA						
DNK	DENMARK						

INTRODUCTION

1. The decisions taken at the 1982 Ministerial meeting of the CONTRACTING PARTIES regarding GATT and developing countries included, in paragraph 3(g) of the Annex to the Declaration, the proposal to "give more emphasis to the discussion and examination of policy issues of interest to least-developed countries in the context of further efforts to liberalize trade".

2. In order to implement this and other decisions the Committee on Trade and Development at its forty-ninth session accepted a proposal that the Sub-Committee on Trade of Least-Developed Countries should (a) monitor the implementation of those aspects of the Ministerial Declaration which concern least-developed countries; and (b) hold consultations between interested least-developed countries and their respective trading partners on issues related to their development and export interests, including the examination of barriers to their trade and other relevant commercial policy matters. The Sub-Committee on Trade of Least-Developed Countries at its meeting on 25 May 1983 endorsed these proposals and adopted procedures for their implementation.

3. It is suggested that in the ad hoc consultations the Sub-Committee seek to identify the major problems faced by an individual least-developed country in expanding and diversifying its exports, and discuss possible solutions to these problems. Contracting parties would thus benefit from a further clarification of issues involved and a clear understanding of the nature of the difficulties faced in its trade.

4. The attached country study prepared by the secretariat is designed to serve as a basic document for the consultations with the Republic of the Sudan. The country study contains basic economic data on the Republic of the Sudan, a description of its economy and export sector, its trade regime and commercial policy as well as data on identified tariff and non-tariff measures affecting its exports.

BASIC ECONOMIC DATA

Area: 967,500 Sq. miles (2,505,800 Sq. km)

Population: Total (mid-1983) : 20.5 million  
 Density : 8.2 per sq. km.  
 Growth rate (1982-1983) : 2.3 per cent per annum  
 Ratio of urban population : 20 per cent (1979-1981)

National Income and Employment

Per capita GDP at current prices : US\$300 (mid-1983)

Sudan: Origin of Gross Domestic Product  
at Current Prices, 1979/80-1983/84

(in millions of Sudanese pounds)

	1979/80	%	1980/81	%	1981/82	%	1982/83	%	1983/84	%
GDP at constant factor cost (1981/82 prices)	<u>5,451</u>		<u>5,634</u>		<u>6,000</u>		<u>5,789</u>		<u>5,715</u>	
Agriculture	1,752	32.1	1,777	31.5	2,006	33.4	1,789	30.9	1,697	29.7
Mining and quarrying	7	0.1	6	0.1	5	0.1	5	0.1	6	0.1
Manufacturing	431	7.9	450	8.0	465	7.8	477	8.2	500	8.7
Electricity and water	105	1.9	111	2.0	131	2.2	123	2.1	128	2.2
Construction	245	4.5	260	4.6	280	4.7	300	5.2	315	5.5
Commerce and hotels	1,220	22.4	1,314	23.3	1,349	22.5	1,350	23.3	1,310	22.9
Transport, communications	547	10.0	587	10.4	647	10.8	580	10.0	570	10.0
Finance and real estate	350	6.4	365	6.5	380	6.3	395	6.8	411	7.2
Government services	652	12.0	619	11.0	610	10.2	620	10.7	625	10.9
Personal services	142	2.6	145	2.6	148	2.5	150	2.6	153	2.7
GDP deflator (1981/82 = 100)	65		83		100		130		165	
GDP at factor cost at current prices	<u>3,543</u>		<u>4,676</u>		<u>6,007</u>		<u>7,526</u>		<u>9,430</u>	
Indirect taxes less subsidies	400		460		597		877		978	
GDP at current market prices	<u>3,943</u>		<u>5,136</u>		<u>6,604</u>		<u>8,403</u>		<u>10,408</u>	

Source: Ministry of Finance and Economic Planning.

	1979/80	1980/81	1981/81	1982/83	1983/84
	(Annual rate of change in percent)				
Real GDP	4	3	7	-4	-1
Cost of living index	37	20	23	32	27
Government revenue	15	26	22	43	15
Government expenditure	15	36	18	23	17
Money and quasi-money	21	46	23	37	18
Exports <sup>1</sup>	10	-7	-20	33	28
Imports	18	15	15	-15	-8
	(As a percentage of GDP)				
Central Government budget deficit	8.8	10.3	9.0	6.7	6.5
Balance of payments current account deficit	6.6	8.0	12.9	10.2	6.9

<sup>1</sup>In terms of US dollars

Employment (1981-1982)

Labour Force <sup>1</sup> (estimated)	Million	Percent
Agriculture	3.93	70.3
Industry	0.40	7.2
Services	1.26	22.5
Total	5.59	100.0

Balance of payments (in million of U.S. dollars)

Exports, f.o.b.	581	538	432	573	732
Cotton	(333)	(182)	(69)	(175)	(344)
Imports, c.i.f.	-1,340	-1,540	-1,774	-1,516	-1,388
Services and private transfers (net)	127	185	130	174	90
Current account deficit	-632	-817	-1,212	-769	-566
Official transfers and capital (net)	526	535	762	623	514
Errors and omissions <sup>2</sup>	31	62	-68	-74	...
Monetary movements (increase)	75	220	518	220	...
Reserve position (end of period)					
Gross reserves of Bank of Sudan	17.8	42.8	25.2	16.8	17.2

Official External Debt<sup>4</sup> 1982-1983  
(in millions of US dollars)

	Estimated debt outstanding end-1982	Estimated debt outstanding end-1983
Multilateral institutions	1,687	1,866
Bilateral crediting	4,308	4,508
Commercial Banks	1,008	1,210
Total	7,003	7,584
Debt Service payments (excluding fund repurchases) in 1983/84 = 24 per cent of goods and non factor services		

<sup>1</sup>Total labour force, estimated; unemployed are allocated to sector of their normal occupation; "un allocated" consists mainly of unemployed workers seeking their first job.

<sup>2</sup>Includes short-term capital movements, unidentified transactions, and allocations of SDRs.

<sup>3</sup>Due to deficiencies in the monetary data, the overall balance for 1983/84 cannot be quantitatively estimated.

<sup>4</sup>Including arrears on principal and interests.

Main exports 1983/84

(% share of total exports) Cotton (47.0); livestock (16.4); sesame (9.4); gum arabic (8.8); groundnuts (6.4); dura (4.3); hides and skins (1.8); water melon seeds (1.4); yarn (0.6); hibiscus (0.5); sesame oil (0.4).

Main export markets 1983/84

(% share of market) EEC (22.7); Saudi Arabia (22.6); South Korea (9.0); China (7.5); Egypt (5.5); Japan (4.9); Yugoslavia (3.5); USSR (2.7); United States (2.4).

Main imports 1983/84

(% of total imports) Petroleum (27.1); manufactured goods (17.0); chemicals (13.2); machinery, equipment (14.2); Transport equipment (11.2); Beverages and Tobacco (1.7); Textiles (2.3).

Main sources of imports 1983/84

(% of total imports) EEC (28.7); the Western Europe (11.0); United States (10.0); Japan (3.1); India (2.8); China (2.3); Other (12.3).

Exchange rates

Currency Unit = Sudanese Pound (L.S)  
LS1.00 = 100 piasters (pt) = 1,000 milliers (mm)

Effective 12 February 1985:

Official rate:

US\$1 = Sudanese Pound 2.50 (applicable to all exports, public-sector imports and government transactions including debt repayments)

Commercial rate:

Floating exchange rate, initial: US\$1 = Sudanese Pound 3.0 (applicable to private sector imports, expatriate remittances).

SECTION I: GENERAL ECONOMIC BACKGROUND

1. With an area of about 2.5 million sq. km. Sudan is the largest country in Africa. It has a population of 20.5 million (mid-1983), thus implying a population density of only 8.2 per sq. km. It has a population growth rate of 2.9 per cent per annum. The per capita GDP was estimated at about US\$300 in mid 1983. Other essential features of the economy are to be found in the basic data above. The economy of Sudan has in recent years been characterized by a stagnant and often declining gross national product, export levels capable of paying for only a fraction of imports, and an enormous external debt burden. The situation has been exacerbated in recent years by a severe draught in parts of the country and a worsening refugee problem.

## 1. Structure of the economy

### Agriculture

2. Agriculture is the dominant sector of the economy of Sudan. In recent years it has accounted for between 33 and 40 per cent GDP, 66 per cent of employment and over 95 per cent of exports. Moreover, the manufacturing, transportation, and trade sectors are heavily dependant on activity in the agricultural sector and their contribution to national output fluctuates with agricultural production. Sudanese agriculture is composed of few distinct sub-sectors: (a) modern irrigated farms; (b) mechanized rainfed crop production; (c) traditional rain-fed farming and (d) livestock farming.

3. The irrigated sub-sector and the mechanized rainfed sub-sector together account for about 65 per cent of crop production. The importance of these sub-sectors from the point of view of introducing modern farming methods, increasing crop intensity and overall agricultural productivity is obvious. However, the traditional rain-fed sector commands equal importance. It covers nearly two-thirds of the total cropped area and its contribution to the agricultural sector is important from the point of view both of overall production and from consideration of social distribution. It is also claimed that gross value product per feddan<sup>1</sup> is higher in the traditional than in the mechanized sub-sector, is land extensive, and capital intensive, while traditional farming is labour intensive. Although the ample availability of water from the river Nile and its tributaries provide potential for agricultural development, only 20 million feddan out of about 200 million feddans of usable land are cropped. Most of the 60 million feddans of pasture lands are sparsely used by traditional herdsmen and the 135 million feddans of forest lands are partially used to obtain firewood and to tap trees for gum arabic.

4. About two-thirds of the gross agricultural value added originates from crops; mainly cotton, dura (sorghum), dukhn (millet), groundnuts, sesame, wheat and gum arabic. Animal husbandry, primarily sheep and cattle, together with minor amounts of forestry and hunting, account for the remainder of gross value added in agriculture.

5. Crops are cultivated in large publicly-managed schemes along the Nile and its tributaries and in rain-fed areas, the latter using traditional as well as mechanical methods. The principal irrigated schemes are Gezira-Managil (with 2.0 million feddans), New Halfa, Blue Nile, and White Nile (with 0.4 million feddans each), and Rahad (with 0.3 million feddans). The land managed by the schemes, about 4 million feddans or 20 per cent of land cultivated in recent years, is owned by the Government. The schemes provide tenant farmers (who work individual plots) with water, seeds, and technical services, charging them the actual costs of the inputs and some of the water and land costs, and on occasion buy and market the farmers' output.

6. Table 1a shows the evolution of non-cotton crop production between 1979-1980 and 1983-1984 while Table 1b shows the evolution of cotton production over the same period while Table 1c shows livestock, poultry and fish production for the period 1978/79 to 1981/82.

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<sup>1</sup> 1 feddan = 0.42 hectare = 1.04 acres.



Table 1aCropped Area, Output, and Yields of Major  
Non-cotton Crops, 1979/80-1983/84

	1979/80	1980/81	1981/82	1982/83	1983/84
<b>Area</b>					
Dura	6,349	6,956	9,258	8,664	9,060
Dukhn	2,320	2,598	2,618	2,784	3,025
Groundnuts	2,352	2,162	2,346	1,862	1,859
Sesame	1,989	2,011	1,971	1,999	2,184
Wheat	457	437	354	233	322
Rice	30	25	25	25	25
		(in thousands of metric tons)			
<b>Output</b>					
Dura	1,669	2,068	3,345	1,938	1,819
Dukhn	309	491	573	341	314
Groundnuts	852	707	721	492	445
Sesame	209	221	242	163	203
Wheat	233	218	163	141	162
Gum arabic	24	32	39	41	38
Rice	8	12	12	12	12
		(in kilograms per feddan)			
<b>Yields</b>					
Dura	263	297	361	224	201
Dukhn	133	189	219	122	104
Groundnuts	362	327	307	264	239
Sesame	105	110	123	82	93
Wheat	510	449	460	605	503
Rice	267	480	480	480	480

Source: Ministry of Agriculture and Gum Arabic Corporation

Table 1b

Cotton Production 1979/80-1983/84  
Area Planted, Yield and Volume of Production

(Area in thousand of feddans; yield in kantars per feddan, and volume in thousand of bales<sup>3</sup> of cotton lint)

	Area					Yield					Volume of production				
	1979/80	1980/81	1981/82	1982/83	1983/84 <sup>1</sup>	1979/80	1980/81	1981/82	1982/83	1983/84 <sup>1</sup>	1979/80	1980/81	1981/82	1982/83	1983/84
Long-staple	618	566	533	421	422	2.2	2.1	3.5	3.7	4.0	330	307	476	409	432
Gezira	447	427	380	335	347	2.5	2.1	3.9	4.0	4.3	274	234	381	348	380
(including Managil)	60	61	60	18	17	0.6	1.7	2.6	2.4	3.5	10	27	40	11	15
Blue Nile	95	64	73	54	27	1.8	2.5	2.5	3.3	4.0	44	41	47	46	27
White Nile	16	14	20	14	31	1.0	1.5	1.5	1.0	1.4	2	5	8	4	10
Other															
Medium-staple	301	251	279	395	463	2.8	2.7	4.0	5.4	5.5	239	194	321	626	716
Gezira	94	74	55	108	151	3.2	3.2	4.4	5.9	6.4	87	68	69	185	290
New Halfa	62	55	58	80	84	0.9	1.9	3.8	4.7	4.0	17	30	63	112	90
Rahad	88	88	130	116	126	4.4	2.9	4.0	7.2	7.0	103	72	149	242	230
Suki	31	28	30	26	23	2.8	2.3	4.0	5.0	4.0	25	18	34	37	23
Zeidab	6	6	6	6	6	2.3	3.5	3.5	3.3	3.5	4	6	6	8	6
Blue Nile	-	-	-	33	38	-	-	-	2.3	4.2	3	-	-	22	45
White Nile	-	-	-	26	35	-	-	-	2.8	3.2	-	-	-	20	32
Other	20	-	-	-	-	0.5	-	-	-	-	-	-	-	-	-
Short-staple	77	147	146	172	132	0.8	1.0	1.3	1.3	0.6	17	42	57	25	19
Nuba mountains	41	55	39	74	82	0.3	0.8	0.9	2.2	0.5	4	13	11	12	10
Other	36	92	107	98	50	1.3	1.1	1.4	0.6	0.7	13	29	46	13	9
Total	996	964	958	988	1,017	2.3	2.1	3.3	4.0	4.3	586	543	854	1,060	1,167

<sup>1</sup>Preliminary

<sup>2</sup>Including El Guncid Extension.

<sup>3</sup>One bale of lint weighs 420 pounds or approximately 0.191 metric tons.

<sup>4</sup>Private schemes on the White Nile and the Gash and Tokan areas.

<sup>5</sup>Irrigated areas in the Blue Nile scheme and rain fed areas along the White Nile.

<sup>6</sup>Gadaref, Equatoria, and rain fed areas along the Blue Nile.

Table 1c

Livestock, Poultry, and Fish Production, 1978/79-1981/82  
(In thousands of tons unless otherwise stated)

	1978/79	1979/80	1980/81	1981/82 <sup>1</sup>
<b>Livestock meat</b>				
Cattle	259	264	280	288
lamb	72	81	83	86
Goat	22	32	33	34
Camel	30	26	27	27
<b>Hides and skins</b> (in thousands of pieces)				
Cattle	1,557	1,652	1,753	2,758
Lamb	3,961	4,053	4,167	4,305
Goat	2,241	2,295	2,389	2,437
Camel	101	104	108	109
<b>Poultry, dairy and fish</b>				
Eggs	26	32	36	41
Poultry meat	15	16	17	19
Milk and by-products	22	25	26	27
Fish	32	29	27	30

<sup>1</sup>Preliminary

Source: Ministry of Agriculture and Irrigation (estimates)

### Crops

7. Cotton is the principal cash crop in Sudan, accounting for about 50 per cent of total exports in 1983. Sudan's cotton production which stood at roughly 1,774,000 bales in 1974-1975 by 1979-1980 had fallen to only 616,500 bales, due to a number of constraining factors such as shortages of inputs, deteriorating capital and management and financial disincentives including unfavourable domestic prices, unfavourable exchange rates, export taxes etc. In order to reverse the declining trend in production the government took action in the context of its Export Action Programme to eliminate some of the financial disincentives. Both yields and total production began to rise again in the 1981/82 season and as Table 1b shows production in 1983/84 had reached a level almost twice as much as that of 1979/80. Yields have also improved to their earlier historical levels attained in 1965/73. Apart from the removal of some of the price disincentives and favourable weather conditions mentioned above other factors which have led to the increase in cotton production have been the better availability of essential inputs - water, fertilizers, seeds, pesticides and machinery services - made possible through improved efforts to provide foreign exchange to purchase essential imports and special measures to get them to the irrigation schemes on time. Better management of services and water-delivery systems have also been an important factor. These improvements are due in part to a series of agricultural rehabilitation projects which are helping to assure the flow of essential inputs and services.

8. Although the areas under cotton cultivation increased by only 6 per cent, cotton output increased by 57 per cent in 1981/82, 24 per cent in 1982/84 and 10 per cent in 1983/84. The expansion in overall output was accompanied by some substitution of the traditional long-staple varieties by the medium-staple varieties which, because of their shorter irrigation periods, are considered to be better suited to Sudan's water storage and delivery systems. The area planted to long-staple cotton dropped steadily after 1979/80, going from 62 per cent of the cotton acreage in that year to 41 per cent in 1983/84.

9. The cotton crop is marketed by the Cotton Public Corporation which purchases the crop from the irrigated schemes, paying them on the basis of the announced prices for the various grades. The difference between the procurement prices and realized export prices (adjusted for the Cotton Public Corporation's 3 per cent commission to cover operating costs and tax and interest costs) should, in principle, be charged to a price stabilization fund account.

### Other crops

10. Apart from cotton the main agricultural products of Sudan are coarse grains (sorghum and millet), oil seeds and wheat. Table 1a shows the evolution of the production of these non-cotton crops between 1980 and 1984. About two thirds of the wheat crop is produced in the Gezira scheme, which in 1982/83 also produced about 30 per cent of the ground nuts and 10 per cent of the dura. Production in the irrigated schemes is mainly influenced by the availability of inputs and by the reward to the tenant for his labour. The rain-fed areas of western Sudan support mostly herdsmen who also grow coarse grain (mainly dura and dukhn) and oil seeds (mainly groundnuts and sesame), and collect gum arabic. In the eastern part of the country a significant portion of the rain-fed area is mechanically cultivated with dura as the main crop and sesame as a minor crop.

Dura (sorghum)

11. Exports of dura account for an average of about 15 per cent of export earnings. Between 1979/80 and 1981/82 the production of dura almost doubled due mainly to favourable weather conditions and increased producer prices which led to a considerable increase in the acreage put under cultivated. However, as Table 1a shows production fell by over 42 per cent in 1982/83 and there was a further fall in 1983/84. The fall in production has been imputed partly to the drought and partly to the lower prices offered by the principal importer, Saudi Arabia.

Dukhn (millet)

12. The table also shows that the production of dukhn increased considerably between 1979/80 and 1981/82 due to favourable weather conditions, however, by 1983/84 production had fallen to almost the same level as in 1979/80. The decline in production has been concentrated in North Kordofan and South Dafur where the crop has been adversely affected by the extremely dry and hot weather.

Wheat

13. The production of wheat has been declining for a number of years and as Table 1a shows the volume of production in 1983/84 was 162,000 tons compared with 233,000 tons in 1979/80. In 1977/78 the volume of production was 317,000 tons. The drastic fall in production since 1980/81 has been blamed mainly on the decrease in the area under cultivation as farmers reacted to what was considered as unsatisfactory prices resulting from excess production. On the positive side the decline in yield was arrested in 1982/83 and although there was a set-back once again in 1983/84 this has been blamed largely on the unfavourable weather conditions.

Groundnuts

14. Production of groundnuts have also declined considerably in recent years. In 1983/84 the volume of production which was estimated at 445,000 metric tons was almost half of that of 1979/80, estimated at 852,000 tons. In 1977/78 production attained was 1,027,000 metric tons. Both the area under cultivation, and yield have been falling. Declining export prices have been partly blamed for the decline in groundnut production. However, the drought which has raged during the past few years is considered the main cause of the sharp decline in production since 1981.

Sesame

15. Production of sesame which had increased appreciably from 209,000 metric tons in 1979/80 to 242,000 metric tons in 1981/82 fell considerably in 1982/83 to 163,000 metric tons as a result, not of a decrease in the area under cultivation but of a sharp fall in yield, due to adverse weather conditions. Production however, recovered in 1983/84, due both to an increase in area under cultivation and a rise in yield.

Gum arabic

16. The production of gum arabic, a major export crop, increased steadily from 24,000 metric tons in 1979/80 to 41,000 metric tons in 1982/83; there was however, a slight fall to 38,000 metric tons in 1983/84. The future

prospects for this product are good, provided farmers receive remunerative prices and there is an adequate and even distribution of rainfall in Kordofan Province which is the major producing area in the country. Environmental constraints and deforestation could however prevent significant increases in production.

17. Other agricultural crops of major importance of Sudan are rice and sugar cane. As Table 1a shows, rice production rose by 50 per cent from 1979/80 to 1980/81 but has been at the same level over the last few years. Although the area under cultivation, which has risen from 15,000 feddan in 1974/75 to 30,000 feddan in 1979/80, has been reduced to 25,000 feddans since then, there has been a compensatory rise in yield so that production levels have been maintained. There has been a major increase in sugar cane production in recent years since the rehabilitation of the Kenana project. Available information shows that production increased steadily from 1,340,000 metric tons in 1978/79 to 2,675,000 metric tons in 1981/82. The sugar rehabilitation programme of the government aims to bring the four State-owned schemes (New Halfa, Guneid, Hajar Assalaya and Sennar) up to full capacity of roughly 304,000 tons a year. Output from all the four schemes is expected to total nearly 200,000 tons in 1985, compared with 132,000 tons in 1981/82. In addition the Kenana Sugar Company is likely to produce roughly 305,000 tons. This should make the country virtually self-sufficient for the first time, providing substantial savings in foreign exchange.

#### Livestock (Table 1c)

18. Animal husbandry (including poultry and fish) accounts for about one-third of agricultural value added and employs, on a full-time basis or as a complementary activity to farming, about 40 per cent of the population. Although much of the production is destined for domestic consumption, exports of livestock accounted for about 16.4 per cent of total exports in 1983/84 while those of hides and skins accounted for a further 1.8 per cent. Production has been on the increase over the past few years and exports have been more than tripled since 1979/80.

19. In 1981 Sudan was estimated to have a livestock population of 16.1 million cattle, 35.5 million sheep and goats and 2.6 million camel. Export of sheep, most of which go to Saudi Arabia and the Gulf States, account for about 80 per cent of total livestock exports. Cattle, camels, goats, hides and skins account for the remainder. The problems in this sector include growing pressure on rain-fed grazing lands, the low quality of animals, inadequate veterinary services, climatic hazards such as drought, and generally low production techniques. This sector is generally considered to offer considerable scope for increased production and exports. However, studies have concluded that it would be essential to (a) increase transportation capacity; (b) provide extension and veterinary services; (c) increase animal productivity by changing husbandry practices and (d) adopt effective producer price policies.

#### Manufacturing sector

20. The contribution of the manufacturing sector to the economy is fairly modest. In 1983/84 it accounted for about 8.7 per cent of the GDP and employs about 7.2 per cent of the work force. Its contribution to export earnings is even more modest being limited to textile yarns and fabrics.

Table 2Manufacturing Production, 1979/80-1983/84

Sector	1979/80	1980/81	1981/82	1982/83	1983/84
Food and beverages					
Canned fruits and vegetables (million tins)	18.0	28.0	-	-	-
Flour (thousand tons)	243.3	243.6	255.4	275.0	266.4
Sugar (thousand tons)	129.8	207.6	238.9	360.0	418.5
Vegetable oils (thousand tons)	82.5	66.8	76.8	73.8	70.4
Wine (million litres)	5.2	4.3	4.3	2.3	-
Beer (million litres)	5.5	2.4	0.1	-	-
Textiles and apparel					
Textiles (million meters)	79.3	57.4	60.5	62.6	-
Shoes (million pairs)	9.6	8.8	9.7	10.2	7.7
Yarn (thousand tons)	11.2	8.5	10.7	9.9	-
Other consumer goods					
Cigarettes (tons)	1,065.1	1,033.9	758.6	1,353.8	1,365.0
Soap (thousand tons)	57.6	54.9	52.4	56.3	57.0
Dry cell batteries (millions)	32.8	81.2	-	42.2	54.6
Tyres and tubes (millions)	-	0.4	0.4	0.5	0.4
Intermediate goods					
Cement (thousand tons)	182.2	149.8	169.4	231.6	198.4

Source: Ministry of industry

Industrialization has been based mainly on the processing of domestic agricultural production and on import substitution production. The major industries are sugar refining, textile spinning and weaving, oil seed crushing and cement production. Other manufacturing concerns are in the area of footwear and leather products, vegetable oils, flour, soft drinks, cigarettes, soaps, dry cell batteries, tyres and tubes. Manufacturing output, other than sugar and cement has stagnated or declined in recent years as can be seen from the accompanying Table 2. A characteristic feature of this sector is low capacity utilization which has been attributed to a number of factors: (a) irregular and insufficient supply of imported raw materials and spare parts due to foreign exchange shortage; (b) equipment breakdown due mainly to poor maintenance; (c) inadequate working capital; (d) frequent power cuts causing major disruption in production; (e) shortage of skilled manpower aggravated by emigration to oil-rich countries in the Gulf and (f) general managerial deficiencies. Most of the industries are operated by public corporations<sup>1</sup> which suffer from deficiencies peculiar to such bodies in many developing countries, especially in the areas of pricing and management. For some of the public enterprises which are located in outlying areas so as to promote a regionally balanced development of the country, transportation and infrastructural problems have been particularly serious.

21. The situation in the sugar and textile industries may illustrate the points being made above. The sugar sector in Sudan consists of four government-owned sugar factories (Guneid, New Halfa, Sennar and Assalaya) with a combined production capacity of 360,000 tons, and the Kenana Sugar Corporation, a joint venture of the Government with foreign interests, with a capacity of 330,000 tons. Because of production bottlenecks arising from inadequate maintenance of plants and factory equipment, and shortages of fuel, spare parts, and credit, output of the four government-owned factories lagged far behind capacity and declined to 74,000 tons in 1981/82, a 20 per cent rate of capacity utilization. However, as a result of on-going rehabilitation and improved availability of inputs, output increased rapidly in the two subsequent years, reaching 170,000 tons in 1983/84. In addition, Kenana's output increased sharply since the factory commenced operations in the middle of the 1980/81 season, with output increasing from 107,000 tons in 1980/81 to 249,000 tons in 1983/84.

22. Capacity utilization has been low in the textile industry, generally averaging 20-30 per cent and, as a result, large losses have been incurred which were financed by credit from the commercial banks. Shortages of electricity and fuel products, inadequate availability and high turnover of skilled labour, transportation problems, and at times poor cotton quality, limited output. Output in public factories has been erratic, rising from 9.3 million meters in 1981/82 to 10.8 million in 1982/83 before declining to 9.1 million in 1983/84. The largest private sector mill, Sudan Textile Industry, after several years of difficulties, increased output from 18.9 million meters in 1980/81 to 34.1 million in 1982/83; data on 1983/84 are as yet not available. Plans to rehabilitate the textile factories are being formulated by the authorities in consultation with the World Bank.

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<sup>1</sup>The corporations are; the Sugar and Distilling Corporation; The Food Industries Corporation; The Oil Milling and Soap Corporation; The Leather and Plastic Industries Corporation; The Building Materials Corporation; The Mining Corporation; and the Spinning and Weaving Corporation.



23. Policy measures have been adopted in recent years to stimulate production of the key import substituting public sector industries. These include the improvement of management, increasing selling prices to strengthen the liquidity of these industries, rehabilitating capital and machinery with the ultimate objective of sustaining capacity utilization. Furthermore exemptions from custom duties have been granted for the importation of industrial spare parts, power generating equipments and heavy transporting vehicles.

#### Extractive activities

24. Sudan is well endowed with mineral resources and although this sector currently contributes only 0.1 per cent to the GDP it possess a considerable potential for development. Current mineral production is confined to chromite, gypsum and anhydrite, manganese, mica and talc. High quality chromium ore is mined from the Ingassena Hills region in south eastern Sudan and is exported mainly to Japan and Europe. Large deposits of gypsum have been identified (proven reserves currently estimated at 200,000 tons); the gypsum is mainly used in the production of cement. Mica reserves are located in the Atbara region. In addition to these minerals, quantities of gold and tungsten have been discovered in the Red Sea region. A large number of limestone and marble deposits, sufficiently pure to be used in the manufacturing of cement and slab rock, have also been found in Sudan.

25. Other mineral resources which have been discovered in recent years include iron ore and manganese in the Red Sea Hills, copper in Hofraten Hakas in south-west Sudan and especially petroleum. The contribution of the extractive sector to the GDP is expected to increase substantially when production of petroleum begins from the Unity and Heglig fields in south-west Sudan. Output is expected to be in the range of 50,000-100,000 barrels per day (bpd) at the start, and reserves are estimated at 250-300 million barrels of crude that is waxy but of a relatively high specific gravity. The development of the deposits have however been delayed due to the unsettled security situation in the region concerned. Further exploratory activities are continuing in other parts of the country.

## 2. Development planning and strategies

26. Development planning and programming have been practiced in Sudan since the years immediately following independence in 1956. In reality concerted development efforts could be said to have begun only after the end of the long civil strife in 1972. Throughout the 1960s and in the early 1970s, the level of investment including public sector developments expenditure remained very low and the economy was virtually stagnant.<sup>1</sup>

27. In 1970/71, a Five-Year Development Plan was launched, this was later recast and extended to 1976/77. During most of the Plan period the economy is said to have grown at an annual rate of between 4 to 5 per cent. The Five-Year Development Plan was followed by a Six-Year Plan of Economic and Social Development (1977/78-1982/83) which envisaged a public sector investment of 570 million Sudanese pounds, with ambitious goals for

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<sup>1</sup> According to World Bank estimates published in the World Development Report 1979, the GDP increased at a rate of 1.3 per cent in the 1960s.

manufacturing and mining. The Six-Year Plan was part of an Eighteen-Year Prospective Plan launched in 1977/78 and was designed to raise real gross domestic product at an annual rate of 7.5 per cent. However, the anticipated financing, both internal and external did not materialize and the Six-Year Plan had to be replaced by a series of Three-Year Public Investment Programmes. The three-year investment programme serves as a guideline for the annual development budget. While the second three-year investment programme (1980/81-1982/83) was designed to check the downward trend in production by rehabilitating the productive capacity of major sector projects, the third three-year public investment programme (1982/83-1984/85) aimed at strengthening the process of economic stabilization and recovery. This was intended to correct imbalances and reinforce economic measures in order to realize the country's economic potential. In general, the new PIP tried to achieve the following objectives:

- (a) a real growth rate in GDP averaging 3.5 per cent a year over the third programme period;
- (b) completion of economically viable on-going projects;
- (c) rehabilitation of the productive capacities of the economy, especially in the agricultural and industrial sectors;
- (d) promoting capacity utilization and increasing productivity in all productive sectors;
- (e) maximizing exports and speeding up efficient import substitution so as to lead eventually to a balance in Sudan's foreign trade;
- (f) provision of necessary infrastructure for successful and efficient operation of the productive sectors;
- (g) promotion of greater participation by the private sector in economic development; and
- (h) speeding up the exploitation of natural resources, especially oil and minerals.

After a year of implementation the third PIP was replaced by a fourth programme spanning the period 1983/84-1985/86. Table 3 shows the sectoral allocations of expenditure under the current PIP. With a total estimated expenditure of 2,384 million Sudanese pounds the programme emphasizes rehabilitation of agricultural irrigation schemes and infrastructural projects.<sup>1</sup> About 32 per cent of the investment is envisaged in the

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<sup>1</sup> While the plan outlined above might still be theoretically operative, the emergency situation created by the severe drought which has persisted over the past few years and the massive inflow of refugees from neighbouring countries has led to a radical reallocation of resources and reorientation of priorities. At its height the drought and its accompanying famine is said to have affected about 5 million out of the total population of about 20 million. From being a net exporter of grains, Sudan has in 1984/85 become a massive importer, thus aggravating its already weak balance-of-payments situation. Although the drought has been broken by good rains in the first half of the year (1985), the problems of resettling and feeding displaced population and refugees will persist for sometime to come.

Table 3

Fourth Three-Year Public Investment Programme,  
Local and Foreign Costs  
(LS million)

Sector	Estimated expenditure 1982/83	4th TYPIP				
		1983/84	1984/85	1985/86	Total	%
		Local component				
Agriculture	38	69	99	106	274	25
Transport	40	66	61	61	188	17
Manufacturing	12	28	21	18	67	6
Energy and mining	12	19	15	18	52	5
Water	7	10	20	22	52	5
Services	28	38	40	40	118	11
Regional development	50	56	74	85	215	20
Contingency reserve	-	4	42	44	126	11
<u>Total local</u>						
At current prices*	187	326	372	294	1092	100
At constant prices*	144	224	228	217	669	-
		Foreign component				
Agriculture	65	117	174	192	483	37
Transport	75	103	68	79	250	20
Manufacturing	7	29	43	41	113	9
Energy and mining	24	65	38	39	142	11
Water	10	20	22	20	62	5
Services	17	35	35	39	109	8
Regional development	19	28	35	70	133	10
Contingency reserve	-	-	-	-	-	-
<u>Total foreign</u>						
At current prices*	217	397	415	480	1292	100
At constant prices*	166	273	255	265	793	-
		Total investment				
Agriculture	103	187	272	298	757	32
Transport	115	168	130	140	438	18
Manufacturing	19	57	64	59	180	8
Energy and mining	36	84	53	57	194	8
Water	17	30	42	42	114	5
Services	45	73	76	78	227	9
Regional development	69	84	109	155	348	15
Contingency reserve	-	40	42	44	126	5
<u>Total</u>						
At current prices*	404	724	787	873	2384	100
At constant prices*	310	497	483	482	1462	-

\* 1981/1982

agriculture sector, 18 per cent in transport and communication, 14 per cent in the sector of water and services, 8 per cent in the sector of energy and mining, while 15 per cent is envisaged in regional development. Among the major agricultural schemes covered in the programme are the Gezira scheme, White and Blue Nile scheme, El Rahad scheme, New Halfa, Jonglei canal,<sup>1</sup> and the El Suki. The investment embodied in the programme are largely complementary to investment undertaken in the past. Moreover, on the basis of past experience, a similar volume of investment is expected to be undertaken by the private sector, which in this context include joint ventures in which the public sector has taken an equity share. Development outside the public sector is facilitated by the Encouragement of Investment Act 1980,<sup>2</sup> and by special concessions on investment to Sudanese working abroad.

#### Agricultural development problems and strategies

28. Agriculture dominates the economy of Sudan and its development is cardinal to the country's overall development and growth. A recent study of the Sudanese economy by the World Bank concludes, inter alia, that future prospects for economic growth and exports for the Sudanese economy as a whole can be assured by (a) increasing agricultural output through effective utilization of existing productive capacity; (b) improving price incentives to assure the required production response; (c) increasing productive efficiency by establishing policies that will reinforce regional comparative advantages and the potential for net export earnings, and (d) reducing the rigidities in the sector imposed by technology, resource, transportation and institutional constraints. In the section which follows attention is focussed on some of these factors.

#### Increasing agricultural output

29. As has been pointed out earlier, agriculture in Sudan has four main sectors, the irrigated sector, the mechanized rain-fed sector, and the traditional rain-fed sector which also embraces the livestock sector. The need to maximize agriculture's contribution to net export earnings places a heavy reliance on both the irrigated and the mechanized rain-fed subsectors because they account for a major share of the country's exports (cotton, groundnuts, sorghum), use most of the imported inputs needed by the agricultural sector, and have the greatest potential for reducing food imports via import substitution (in wheat and sugar).

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<sup>1</sup>The Jonglei 360km canal whose construction began in 1978 is a joint Sudanese-Egyptian project which aims at conserving 4,000 million cubic meter of the 32,000 million cubic meter lost each year by evaporation from the Sudanese swamp. The extra yield will be divided between the two countries, enabling Sudan initially to develop and extra 12,600 cubic meters of land on the west bank of the Nile.

<sup>2</sup>This Act which replaced three previous separate legislations covering agricultural, industrial and service enterprises is administered by a special Committee under the Chairmanship of the Minister of Finance and National Economy. Inter alia, it allows capital equipment and raw materials for new enterprises to be imported at concessional rates of duty, which may be zero, and offers exemption from direct taxation. These concessions are for a specified period and are at the final discretion of the Minister.

30. Analysis of the sources of growth in agricultural output in Sudan over the past decade shows that for the rain-fed crops - groundnuts, sorghum and sesame - the main source of growth has been expansion in area. By contrast, the main sources of growth for the major irrigated crops - cotton, groundnuts, sorghum - have been yield increases.

31. In the irrigated sector increased yields offer the best scope for increasing the production of export cash crops (cotton, sorghum and wheat). Such yield increases could be obtained by paying (a) better attention to cropping practices i.e. planting densities, irrigation, balanced spraying and weed control, and (b) continued attention to incentives at the farm level. Much will also depend on the increased and efficient use of critical inputs - fertilizers, pesticides and better management of scarce water resources. Apart from yield increases discussed above, full utilization of the available areas in the irrigated sector subject to the availability of water and better crop management practices is also important. Full area utilization has yet to be achieved and maintained in some of the irrigation schemes. The Jonglei canal is expected to provide enough water to support the expansion of irrigated areas for cultivation by almost 500,000 feddans.

32. In the mechanized rain-fed sector which dominates the production of sorghum, apart from the weather-related yield variability, it is the scarcity of inputs, the low level of agronomic practices and inadequate price incentives which are considered as the major problems. An associated problem is the short lease-hold land tenure system which discourages longer-term investment in the land and its maintenance. Area expansion is limited by availability of fuel, labour, machinery spare parts and transport for poor price incentives.

33. The traditional rain-fed sector also offers scope for increasing the output of cash crops in particular groundnuts, gum arabic and sorghum. It is already the major source for gum arabic and livestock exports. Its output and export potential are, however, constrained by a number of factors: (a) the variable and low yields dictated by the vagaries of the weather; (b) the difficulty of transporting inputs into and marketed outputs out of the geographically remote and extensive area covered by this sector; (c) the rising costs of transportation; (d) the increasing decertification in many areas as population growth continues to exert a pressure on the land; (e) the lack of any effective technology packages that can dramatically change yields or reduce their variability.

34. Effective price policies for the various crops is also considered an essential element in any strategy aimed at increasing agricultural production and export. It is considered essential that producer prices be kept in tune with exchange rate adjustments and constantly take into consideration changes in the cost of production especially the cost of critical inputs and changes in the prices of consumer goods in rural areas so as to assure that the real net returns to crop production remain positive.

35. It has been found out, however, that the overall ability of the agricultural sector to respond to price and other incentives is constrained by a number of factors: (a) the capital intensity of the sector and the heavy dependence on imported inputs, especially in the irrigated and rain-fed mechanized sectors; (b) the alleged shortages of labour,

especially during seasonal peak periods, which are said to limit expansion of output in the irrigated sector and to dictate the choice of capital intensive technology; (c) the high cost of transportation over long distances and its implications for exports; (d) the lack of institutionalized credit facilities, and (e) the scarcity of adaptive research and extension services, especially in the traditional sector.

## SECTION II: EXTERNAL SECTOR

### 1. Foreign trade

#### Exports

36. Table 4 shows the evolution of Sudan's export trade from 1979/80 to 1983/84. It shows that exports which stood at US\$581.5 million in 1979/80, had by 1981/82 fallen by 25.7 per cent to US\$431.9, its lowest in a decade. While unfavourable weather conditions, weak international demand and unfavourable export prices contributed to this, some of the basic reasons could be traced to domestic production, pricing and marketing constraints some of which have been alluded to earlier in this study. The improved situation in 1983/84, when exports jumped by about 28 per cent over the preceding year's level was the outcome of a number of reforms recently instituted by the authorities. These include exchange rate changes, increased incentives of farmers, and the rehabilitation of the capital stock of the major irrigation schemes. In 1983/84 six main commodities: cotton; groundnuts and its products; sesame seeds and products; dura; gum arabic and livestock accounted for over 92 per cent of total exports with cotton alone accounting for about 47 per cent.

37. Cotton exports were mainly responsible for the big increase in exports in 1983/84. There was almost a doubling of cotton exports over those of the preceding year; the volume of exports increased by over 73 per cent while unit values of both long and medium staples increased appreciably. The high cotton export volume in 1983/84 reflected the good crop of 1982/83<sup>1</sup> as well as some reduction in stocks, due in part to the high demand in international markets. Although prices received by Sudan for its cotton exports in 1983/84 were 15-18 per cent higher than in 1982/83, they were relatively low prices reflecting quality problems as well as discount to traders.

38. Since 1980/81 non-cotton exports have tended to decline or stagnate largely as a result of drought conditions. Another factor has been the highly fluctuating unit values. Exports of groundnut and its products amounted to US\$46.8 million in 1983/84, about 23 per cent higher than exports in 1982/83 but 33 per cent lower than exports in 1981/82 and about 51 per cent lower than those in 1980/81. Whereas in the late 1970s a major factor holding back exports of groundnuts had been inadequate incentive due both to lower world prices and to the inappropriate exchange rates, the major difficulty in 1982/83 and 1983/84 was the drought.

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<sup>1</sup>The bulk of the cotton crop is not ginned until late spring and is therefore available for shipment later.

Table 4

## Export Receipts by Commodity, 1979/80-1983/84

(In millions of US dollars, except volume in thousands of tons, except as indicated, and unit value in US dollars per ton, except as indicated)

	1979/80	% share	1980/81	% share	1981/82	% share	1982/83	% share	1983/84	% share
Cotton <sup>1</sup>	333.4	57.3	182.0	33.8	69.4	16.1	174.5	30.5	344.2	47.0
Long-staple	204.9	35.2	126.9	23.6	48.4	11.2	112.8	19.7	197.6	27.0
Volume	512.5		280.8		157.1		406.4		622.8	
Unit value	95.2		107.6		73.4		66.1		75.5	
Medium staple	128.5	22.1	55.1	10.2	21.0	4.9	61.8	10.8	145.6	20.0
Volume	456.2		184.9		103.1		285.0		575.2	
Unit value	67.1		71.0		48.4		51.6		60.7	
Groundnuts	32.1	5.57	96.4	17.9	69.8	16.2	38.0	6.6	46.8	6.4
Seed	12.1	2.1	66.3	12.3	48.1	11.1	16.7	2.9	16.5	2.2
Volume	19.4		59.9		118.3		23.0		18.8	
Unit value	624.5		105.4		406.7		725.4		877.9	
Oil	6.1	1.0	11.8	2.2	10.2	2.3	6.5	1.1	14.9	2.0
Volume	19.4		32.9		17.9		11.0		16.5	
Unit value	315.9		357.8		570.0		591.4		900.1	
Cake	13.9	2.4	18.4	3.4	11.5	2.7	14.9	2.6	15.5	2.1
Volume	120.2		127.7		80.8		86.0		87.0	
Unit value	115.7		144.0		142.7		173.1		178.2	
Sesame	40.6	7.0	38.6	7.2	46.2	10.7	51.3	9.0	68.9	9.4
Seed	39.1	6.7	34.1	6.3	41.8	9.7	50.7	8.8	67.5	9.2
Volume	40.1		45.1		63.6		66.4		77.2	
Unit value	978.3		755.8		657.6		762.7		874.9	
Cake	1.5	0.3	4.5	0.8	4.3	1.0	0.6	0.1	1.4	0.2
Volume	12.4		17.2		24.4		4.2		7.1	
Unit value	134.3		260.9		178.2		150.0		194.3	
Dura	65.7	11.3	69.8	13.0	64.5	14.9	87.4	15.3	31.6	4.3
Volume	340.8		320.4		259.8		381.2		180.7	
Unit value	193.0		217.8		248.2		229.3		174.9	
Gum arabic	41.5	7.1	34.3	6.4	43.2	10.0	47.5	8.3	64.6	8.8
Volume	21.2		25.5		31.4		34.4		46.9	
Unit value	1,187.5		1,344.0		1,375.8		1,380.0		1,376.1	
Livestock	35.6	6.1	85.0	15.8	99.7	23.1	120.4	21.0	120.2	16.4
Sheep and lamb	33.6	5.8	81.8	15.2	95.6	22.1	117.1	20.4	112.4	15.3
Volume	268.1		1,038.0		1,005.3		1,059.7		932.0	
Unit value	72.8		78.6		95.1		110.5		120.6	
Cattle	1.8	0.3	2.9	0.5	3.5	0.8	2.7	0.5	7.3	1.0
Camels and goats	0.2	0.3	0.3	0.1	0.6	0.1	0.6	0.1	0.5	0.1
Other	32.6	5.6	31.7	5.9	39.2	9.1	53.7	9.4	55.9	7.6
Hibiscus	3.1	0.5	2.6	0.5	2.9	0.7	3.2	0.6	3.5	0.5
Yarn	-	-	-	-	-	-	1.5	0.3	4.5	0.6
Watermelon seeds	6.0	1.0	6.3	1.2	11.9	2.7	15.2	2.6	10.3	1.4
Hides and skins	12.2	2.1	9.8	1.8	7.4	1.7	10.8	1.9	12.9	1.8
Sesame oil	-	-	-	-	0.3	0.1	3.2	0.6	2.6	0.3
Other	11.3	1.9	13.0	2.4	16.7	3.9	19.8	3.5	22.1	3.0
Total	581.5	100	537.8	100	431.9	100	572.8	100	732.2	100
Memorandum item:										
Petroleum re-exports	11.5		25.4		14.8		11.5		6.3	

<sup>1</sup>Volume in thousands of bales; price in US cents per pound.

Source: Bank of Sudan and staff estimates

39. As a result of high prices negotiated with Saudi Arabia in 1979/80 Sudan was able to export high volumes of dura (sorghum) for a few years. Exports rose from 55,000 tons in 1978/79 to 3400,000 tons in 1979/80 and 320,000 tons in 1980/81. However, in 1981/82, export volume fell to about 260,000 tons due mainly to the drought. Moreover, not only has the dollar price for Sudan's product fallen by 30 per cent, but it no longer enjoys a large price differential in the Saudi market. Although exports rose strongly to 381,000 tons in 1982/83, concern about the impact of the continuing drought on availabilities of their major foodstuff prompted the government to ban dura exports in late 1983, thus accounting for the fall of exports to 181,000 tons in 1983/84.

40. Except in 1980/81 the value of exports of sesame seeds have increased steadily since 1979/80, so that in 1983/84 they accounted for about 9.4 per cent of total exports, with steady increases in volume compensating for fluctuations in unit value.

41. Gum arabic which accounted for about 8.8 per cent of total exports in 1983/84 has seen the value of its exports grow by about 56 per cent since 1979/80 due mainly to a steady increase in volume which has more than doubled over the same period.

42. Accounting for about 23 per cent of total exports in 1981/82, 21 per cent in 1982/83, and 16.4 per cent in 1983/84, livestock exports have experienced the fastest growth since 1979/80, increasing almost six-fold from US\$21.5 million in 1979/80 to over US\$120 million in 1983/84, the same as in the preceding year.

43. Other exports of some importance are watermelon seeds and hides and skins. Other agricultural items exported are vegetables such as beans and pulses, senna pods, Karkadeh, and chillies; fruits such as mangoes, and dates; beeswax; etc. Most of these have considerable potential for growth given the right policies and promotion. The only manufactured item exported, but one of major importance potentially is cotton yarn, which emerged as an export item for the first time in 1982/83. Currently most textile manufactures are for domestic consumption however as a major producer and exporter of raw cotton, yarn and fabrics are the logical products in any export diversification in this sector. Export of mineral products at present play an insignificant role in the economy of Sudan. However, with the discovery and development of petroleum deposits, this situation is bound to change in the not too distant future. Other minerals of export interest currently or potentially, are gold, chromite, manganese, iron ore, mica, gypsum and talc.

#### Direction of trade - exports

44. Table 5 which gives a summarized view of the direction of Sudanese export trade shows that Saudi Arabia remains the largest single export market for Sudan accounting in 1983/84 for about 22.6 per cent of total exports, which, however, has declined compared with the 38.5 per cent and 37.9 per cent shares in 1982/83 and 1981/82, respectively. Saudi Arabia's imports from Sudan comprise mainly livestock, and grains. The EEC accounted for about 22.7 per cent of Sudan's exports in 1983/84 compared with about 19 per cent in 1982/83 and about 28 per cent in 1981/82. The main items imported from Sudan are cotton, gum arabic, vegetable oilseeds, cake and meal; vegetable oil, hides and skins. As shown in Table 5 other



Table 5

Direction of Exports, 1979/80-1983/84

(In millions of US dollars)

	1979/80	%	1980/81	%	1981/82	%	1982/83	%	1983/84	%
Western Europe	<u>181.6</u>	<u>31.2</u>	<u>182.9</u>	<u>34.0</u>	<u>144.1</u>	<u>33.4</u>	<u>129.5</u>	<u>22.6</u>	<u>189.4</u>	<u>25.9</u>
Italy	70.0	12.0	40.0	7.4	38.5	8.9	32.9	5.7	62.3	8.5
Germany, F.R. of	24.4	4.2	23.3	4.3	15.9	3.7	35.4	6.2	46.3	6.3
France	16.5	2.8	17.8	3.3	34.1	7.9	15.0	2.6	24.3	3.3
Netherlands	8.4	1.4	31.3	5.8	14.5	3.4	14.2	2.5	12.4	1.7
United Kingdom	13.4	2.3	16.4	3.0	15.6	3.6	10.7	1.9	20.5	2.8
Others	49.0	8.4	53.2	9.9	25.5	5.9	21.3	3.7	23.2	3.2
Eastern Europe	<u>84.8</u>	<u>14.6</u>	<u>16.5</u>	<u>10.5</u>	<u>25.4</u>	<u>5.9</u>	<u>50.8</u>	<u>8.9</u>	<u>68.7</u>	<u>9.3</u>
USSR	28.8	5.0	21.3	4.0	8.2	1.9	27.5	4.8	19.7	2.7
Poland	7.6	1.3	5.5	1.0	4.5	1.0	4.0	0.7	7.5	1.0
Yugoslavia	27.2	4.7	7.9	1.5	7.1	1.6	13.2	2.3	25.6	3.5
Others	21.2	3.6	21.8	4.0	5.6	1.3	6.1	1.1	15.6	2.1
China	94.4	16.2	26.0	4.8	14.6	3.4	26.4	4.6	54.7	7.5
Western Hemisphere	<u>13.4</u>	<u>2.3</u>	<u>40.0</u>	<u>7.4</u>	<u>12.5</u>	<u>2.9</u>	<u>14.0</u>	<u>2.4</u>	<u>17.8</u>	<u>2.4</u>
United States	13.4	2.3	40.0	7.4	12.5	2.9	14.0	2.4	17.4	2.4
Others	-	-	-	-	-	-	-	-	-	-
Africa and Asia	<u>207.0</u>	<u>35.6</u>	<u>236.4</u>	<u>44.0</u>	<u>235.3</u>	<u>54.5</u>	<u>352.1</u>	<u>61.5</u>	<u>401.6</u>	<u>54.8</u>
India	2.2	0.4	0.6	0.1	1.9	0.4	2.3	0.4	2.0	0.3
Egypt	11.4	2.0	12.9	2.4	20.1	4.6	20.4	3.6	40.6	5.5
Saudi Arabia	90.6	15.6	156.4	29.1	163.7	37.9	220.5	38.5	165.4	22.6
South Korea	1.1	0.2	0.1	0.0	0.1	0.0	17.9	3.1	65.6	9.0
Japan	50.8	8.7	18.2	3.4	28.3	6.6	32.9	5.7	35.7	4.9
Others	33.2	5.7	44.2	8.2	21.2	4.9	58.1	10.1	92.3	12.6
Total	<u>581.5</u>	<u>100</u>	<u>537.8</u>	<u>100</u>	<u>431.9</u>	<u>100</u>	<u>572.8</u>	<u>100</u>	<u>732.2</u>	<u>100</u>

Source: Bank of Sudan

major markets for the exports of Sudan are China accounting for 7.5 per cent of exports in 1983/84, South Korea 9.0 per cent, Egypt 5.5 per cent, Japan 4.9 per cent, Yugoslavia 3.5 per cent, USSR 2.7 per cent and the United States 2.4 per cent.

45. The more detailed breakdown of Sudan's export market as shown in Table 6 indicates that developing countries account, since 1982, for over 54 per cent of Sudan's exports; the developed market economy countries account for an average of 36 per cent; China about 5 per cent and the centrally-planned economies about 4 per cent. Table 7 shows a list of the exports of Sudan and their respective markets on the basis of 1981 trade.

#### Imports

46. Imports of Sudan have for some time not only been considerably in excess of exports but also have been increasing consistently until 1981/82 when the trend was halted and reversed partly as a result of a number of measures taken under the economic recovery programme and partly due to increasing domestic production of certain imported commodities such as sugar. In both 1982/83 and 1983/84 import payments declined.

47. The structure of Sudan's imports as outlined in Table 8 shows that petroleum imports have constituted the largest single item. In 1979/80 its share of total imports was 19.0 per cent; by 1983 this had risen to 27.7 per cent. The share of manufactured items has remained fairly steady between 16 and 18 per cent; however, in value terms there has been a substantial reduction from US\$325 million in 1980/81 to US\$233 million in 1983/84. The share of machinery and capital equipment has fluctuated between 14 and 17.5 per cent while that of transport equipment has fluctuated between 9 and 13 per cent. In these two cases there were however, major reductions in value terms from peak levels attained in 1981/82. The share of textiles has declined steadily from 5.2 per cent in 1979/80 to 2.3 per cent in 1983/84. The share of chemicals has increased from 9.1 per cent in 1979/80 to 13.4 per cent, with the increase more pronounced in the cases of fertilizers and insecticides. The biggest change has been in the case of food imports<sup>1</sup> where the share in imports has fallen from almost 20 per cent in 1979/80 to 12.1 per cent in 1983/84, mainly due to a fall in sugar imports. Due to the increase in domestic sugar production sugar imports have been reduced from a peak of US\$183.6 million in 1980/81 to US\$24.3 million in 1983/84. The reductions in imports of manufactured goods and equipments were due among other factors to the depreciation of the Sudanese pound, tight credit policies, and the ban on the importation of thirty-nine luxury goods imposed in December 1982.

#### Sources of imports

48. Table 9 shows the main sources of Sudanese imports during the past few years classified on regional basis. Table 10 shows that the developed market economy countries of Western Europe, North America and Japan accounted for an annual average of about 55 per cent of Sudan's imports between 1979 and 1984 with the EEC accounting for about 38 per cent of this. The share of the developed market economy countries has tended to decline over the period under consideration. From a 20.5 per cent share of the import market in 1979/80, Arab countries accounted for 30.5 per cent in 1983/84 as shown in Table 9.

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<sup>1</sup>The severe drought which reached its height in 1984 has led to an increased importation of grains especially wheat. Much of this has however been financed through external aid.

Table 6  
Export Markets (1979-1983)

(LS'000)

Destination	1979		1980		1981		1982		1984	
	Value	Share %	Value	Share %	Value	Share %	Value	Share %	Value	Share %
<u>World</u>	<u>232,667</u>	<u>100.0</u>	<u>271,343</u>	<u>100.0</u>	<u>356,996</u>	<u>100.0</u>	<u>483,101</u>	<u>100.0</u>	<u>817,239</u>	<u>100.0</u>
<u>Developing countries of which:</u>	<u>70,602</u>	<u>30.3</u>	<u>117,365</u>	<u>43.3</u>	<u>139,226</u>	<u>39.0</u>	<u>261,447</u>	<u>54.1</u>	<u>447,306</u>	<u>54.7</u>
Algeria	217	0.1	654	0.2	2,142	0.6	1,317	0.3	-	-
Angola	-	-	-	-	658	0.2	-	-	-	-
Egypt	5,179	2.2	6,188	2.3	17,106	4.8	11,806	2.4	63,949	7.8
Ethiopia	-	-	-	-	113	-	12	-	-	-
Kenya	-	-	74	-	-	-	-	-	-	-
Libya	62	-	62	-	-	-	-	-	-	-
Morocco	-	-	-	-	76	-	-	-	-	-
Somalia	-	-	256	0.1	-	-	334	0.1	-	-
Tanzania	169	0.1	-	-	-	-	-	-	-	-
Tunisia	527	0.2	763	0.3	1,554	0.4	1,278	0.3	3,739	0.5
Zaire	-	-	-	-	-	-	135	-	-	-
Brazil	-	-	33	-	-	-	-	-	-	-
Mexico	16	-	-	-	-	-	-	-	-	-
Burma	105	-	-	-	-	-	-	-	-	-
Cyprus	10	-	10,566	3.3	1,021	0.3	1,894	0.4	1,389	0.2
Hong Kong	5,166	2.2	2,174	0.8	870	0.2	5,477	1.1	5,900	0.7
India	785	0.3	1,010	0.4	1,456	0.4	1,407	0.3	2,917	0.4
Indonesia	417	0.2	304	0.1	180	0.1	1,360	0.3	1,320	0.2
Iran	-	-	565	0.2	-	-	-	-	-	-
Iraq	49	-	-	-	237	0.1	2,293	0.5	8,222	1.0
Jordan	526	0.2	1,358	0.5	3,838	1.1	3,351	0.7	3,805	0.5
Korea, Rep. of	427	0.2	1,791	0.7	680	0.2	10,602	2.2	50,629	6.2
Kuwait	108	-	346	0.1	592	0.2	1,179	0.2	3,648	0.4
Lebanon	1,408	0.6	3,596	1.3	5,661	1.6	5,169	1.1	10,738	1.3
Malaysia	299	0.1	355	0.1	172	-	650	0.1	1,388	0.2
Pakistan	678	0.3	87	-	70	-	174	-	20,523	2.5
Philippines	-	-	-	-	-	-	48	-	1,074	0.1
Qatar	-	-	49	-	134	-	-	-	1,802	0.2
Saudi Arabia	22,003	9.5	57,609	21.2	77,663	21.8	177,055	36.6	114,984	14.1
Singapore	902	0.4	1,028	0.4	548	-0.2	534	-0.1	2,550	0.3
Sri Lanka	73	-	-	-	208	0.1	433	0.1	4,399	0.5
Syria	912	0.4	2,419	0.9	2,799	0.8	6,181	1.3	7,762	0.9
Thailand	4,497	1.9	3,034	1.1	1,123	0.3	8,079	1.7	45,057	5.5
Turkey	248	0.1	-	-	-	-	6	-	-	-
United Arab Emirates	-	-	1	-	130	-	-	-	-	-
Yemen Arab Rep.	105	-	2,041	0.8	812	0.2	736	0.2	6,092	0.7
Yemen, P.D.Rep. of	1,141	0.5	913	0.3	5,206	1.5	1,261	0.3	8,850	1.1
Other Asian	1,762	0.8	2,804	1.0	670	0.2	6,629	1.4	24,764	3.0
Romania	8,254	3.5	2,605	1.0	5,155	1.4	2,219	0.5	13,036	1.6
Yugoslavia	14,545	6.25	14,680	5.4	8,352	2.3	9,825	2.0	38,769	4.7
Other	12	-	-	-	-	-	-	-	-	-
<u>China</u>	<u>40,748</u>	<u>17.5</u>	<u>24,911</u>	<u>9.2</u>	<u>17,200</u>	<u>4.8</u>	<u>24,428</u>	<u>5.1</u>	<u>35,991</u>	<u>4.4</u>
<u>Developed countries of which:</u>	<u>97,205</u>	<u>41.8</u>	<u>118,220</u>	<u>43.6</u>	<u>176,790</u>	<u>49.5</u>	<u>182,309</u>	<u>37.7</u>	<u>289,663</u>	<u>35.4</u>
Canada	15	-	3	-	18	-	70	-	-	-
United States	5,683	2.4	6,596	2.4	28,646	8.0	12,733	2.6	22,518	2.8
Japan	16,278	7.0	22,371	8.2	26,907	7.5	31,648	6.6	48,997	6.0
Austria	299	0.1	-	-	559	0.2	-	-	-	-
EEC	65,119	28.0	78,290	28.9	107,833	30.2	124,385	25.7	201,140	24.6
Finland	913	0.4	295	0.1	228	0.1	71	-	-	-
Malta	172	0.1	1,611	0.6	917	0.3	-	-	-	-
Norway	1,193	0.5	205	0.1	122	-	535	0.1	-	-
Portugal	4,120	1.8	4,941	1.8	109	-	9,057	1.9	8,729	1.1
Spain	2,448	1.1	1,092	0.4	933	0.3	533	0.1	4,875	0.6
Sweden	537	0.2	401	0.1	458	0.1	445	0.1	1,206	0.1
Switzerland	-	-	2,224	0.8	9,778	2.7	2,265	0.6	1,188	0.1
Australia	428	0.2	191	0.1	282	0.1	157	-	1,010	0.1
<u>Centrally-planned economies of which:</u>	<u>24,112</u>	<u>10.4</u>	<u>10,847</u>	<u>4.0</u>	<u>23,780</u>	<u>6.7</u>	<u>14,912</u>	<u>3.1</u>	<u>44,279</u>	<u>5.4</u>
Korea, Dem. P. Rep. of	-	-	42	-	-	-	-	-	-	-
Bulgaria	1,411	0.6	27	-	40	-	329	0.1	138	-
Czechoslovakia	1,190	0.5	1,487	0.5	2,727	0.8	3,475	0.7	3,547	0.4
Germany, Dem. Rep. of	795	0.3	-	-	-	-	23	-	13,248	1.6
Hungary	1,273	0.5	112	-	-	-	769	0.2	-	-
Poland	2,959	1.3	4,259	1.6	1,314	0.4	3,864	0.8	9,242	1.1
USSR	16,484	7.1	4,920	1.8	19,699	5.5	6,452	1.3	18,104	2.2

Other Asian (1984)

Bangladesh 16,195  
Abu Dhabi 2,488  
Bahrain 1,205  
Other 4,916

Source: Bank of Sudan, Twenty-Third Annual Report

Table 7

Main Exports of Sudan and their Markets (1981)

SITC number	Product description	Value of exports ('000US\$)	Export markets <sup>1</sup>
0011	Bovine cattle	5744	EGY,OMN,SAU,YEM
0012	Sheep, lambs, goats	40818	SAU
0015	Horses, asses, mules	5	OMN
0111	Bovine meat, fresh frozen	170	EGY,OMN,SAU
0112	Mutton etc. fresh, chilled, frozen	23	SAU
0312	Fish salted, dried, smoked	379	EGY,CAR,COG,HNK
03207	Fish prepared, preserved	3	EGY
0459	Other cereals unmilled	57986	DJI,SOM,TZA,SAU,YEM,UK,BLX, FRA,DEU,ITA,NLD
048	Cereal preparations, i.e. bread, biscuits cakes etc.	1	ETH
0511	Oranges, tangerines, etc.	2	COG
0512	Lemons, grapefruit etc.	282	BHR,IRQ,OMN,SAU,YEM,IND
0519	Fresh fruits, tropical, n.e.s.	1404	BHS,KWT,LBN,OMN,SAU,YEM,ITA,AUT
052	Dried fruit	559	EGY,ETH,SAU
0542	Leguminous vegetables dry	1136	ETH,NGA,IRQ,BLX,NLD,UK
0545	Other fresh vegetables	43	ETH,KWT,OMN,SAU,UK
0551	Dried vegetables excluding legumes	1	SAU
0615	Molasses	3641	NLD,UK
0616	Natural honey	11	OMN,SAU
0741	Tea	4163	EGY,JPN,SAU,BLX,VIR,SYR,DEU,ITA,UK
0752	Spices, excluding pepper etc.	34	EGY,ETH,BLX
0812	Bran, pollard, sharps etc.	998	KWT,OMN,QAT,UK
0813	Vegetable oil residues	15977	JOR,LBN,SAU,FRA,DEU,ITA,NLD,UK
0990	Miscellaneous food preparations	1	OMN
1223	Other manufactured tobacco	103	OMN,SAU
2111	Bovine and equine hides	2508	EGY,KEN,SAU,GRC,ITA,YUG
2114	Goat and kid skins	1582	EGY,KEN,VIR,LBN,SAU,FRA, GRC,ITA,UK,ESP
2116	Sheep skin with wool	7618	EGY,VIR,FRA,BRC,ITA,UK,FIN,ESP
2119	Hides and skins n.e.s.	152	EGY,FRA,GRC,UK,CHE
2211	Groundnuts green	94451	DZA,FRA,AGO,VIR,JPN,SUN,UK SAU,YEM,BLX,DEU,ITA,NLD
2217	Castor oil seed	1141	EGY,DEU,NLD,UK
2218	Oilseeds, nuts, etc. n.e.s.	52635	DZA,LBY,TUN,EGY,SOM,VIR,JPN, CYR,JOR,KWT,LBN,SAU,SYR,YEM, BLX,DEU,GRC,NLD,UK,SUN,YUG
2631	Raw cotton, excl. sinters	118568	MOR,TUN,JPN,BUR,CSK,HNK,IND,IDN,KOR, MYS,PAK,SGP,THA,OAN,CHN,BLX,FRA,DEU, GRC,ITA,NDL,UK,AUT,PRT,CHE,ESP,YUG, GDR,POL,ROM
2632	Cotton linters	719	JPN,KOR,BLX,DEU,GDR
2633	Cotton waste uncombed	578	SAU,BLX,DEU,ITA,UK,ESP,GDR
264	Jute	14	ITA
267	Waste of textile fabrics	15	ITA
27521	Dust and powder of gems	55	UK
2763	Salt	113	COG

<sup>1</sup> For list of country names and abbreviations see page 3.

Table 7 (continued)

SIIC number	Product description	Value of exports ('000US\$)	Export markets
27652	Mica	2	BLX
27699	Mineral substances n.e.s.	60	EGY, SAU
2813	Iron ore etc. excl. pyrites	354	NLD
282	Iron and steel scrap	209	EGY
283	Non-ferrous, base metal ore	1212	JPN, UK, OEN
284	Non-ferrous metal scrap	267	EGY, JPN, IND, DEU
2911	Bones, ivory, horns etc.	261	IND, BLX, ITA, ESP
2921	Plants for dyeing, tanning	273	SAU, LBY, ETH, KWT, OMN
2922	Natural gums, resins, lacs etc.	45147	EGY, CAN, VIR, JPN, LBN, SAU, SYR, YEM, KNK, IND, KOR, PAK, SGP, THA, CHN, BLX, FRA, DEU, GRC, ITA, NLD, UK, FIN, NOR, SWE, ESP, BGR, GDR, ROM, AUS
2924	Vegetable material used in pharmacy etc.	552	EGY, QAT, BLX, DEU, UK
2926	Lime plants, bulks etc.	2	SAU
3324	Residual fuel oils	13318	ITA
3325	Lubricating oils, greases	8457	CYP
4214	Groundnut oil	12006	FRA, ITA
4224	Palm kernel oil	83	UK
4229	Fixed vegetable oils n.e.s.	468	ITA
43142	Insect waxes	52	NLD, UK
51226	Glycerol, glycerol dyes	35	DEU, UK
6114	Leather bovine n.e.s., equine	43	DEU
61191	Goat leather, kid leather	110	SAU, YEM, ITA
6129	Leather manufactures	4	OMN
6291	Rubber tyres, tubes	317	SAU
6513	Grey cotton yarn in bulk	3074	ETH, BLX, FRA, DEU, ITA, UK, CHE, CSK
6514	Cotton yarn, bleached, dyed	72	BLX, FRA
65229	Bleached cotton fabrics n.e.s.	59	ETH
6566	Blankets, coverlets etc.	9	ETH
84112	Womens' outerwear, not knitted	13	ETH
85101	Footwear, rubber, plastic	7	COG, ETH
85102	Footwear leather	6	ETH

Table 8

Composition of Imports, 1979/80-1983/84

(Value in millions of US dollars; volume in thousands of tons;  
unit value in US dollars per ton; unless otherwise indicated)

	1979/80	%	1980/81	%	1981/82	%	1982/83	%	1983/84	%
Foodstuffs	<u>266.2</u>	<u>19.9</u>	<u>314.5</u>	<u>20.4</u>	<u>371.3</u>	<u>20.9</u>	<u>253.6</u>	<u>16.3</u>	<u>165.6</u>	<u>12.1</u>
Sugar	122.7	9.2	183.6	11.9	158.5	8.9	53.3	3.4	24.3	1.8
Quantity	294.5		185.7		201.6		137.0		78.3	
Unit value	416.6		988.7		785.8		388.8		309.8	
Wheat	40.0	3.0	13.2	0.9	67.9	3.8	40.1	2.6	45.7	3.3
Wheat flour	49.4	3.7	30.4	2.0	59.7	3.4	31.6	2.8	35.8	2.6
Tea	20.0	1.5	27.6	1.8	25.7	1.4	27.8	1.8	26.4	1.9
Coffee	6.5	0.5	11.3	0.7	4.6	0.3	5.0	0.3	4.8	0.4
Dairy products	4.6	0.3	10.8	0.7	18.4	1.0	41.2	2.6	5.7	0.4
Animal, vegetable oils	1.6	0.1	4.6	0.3	5.8	0.3	9.7	0.6	7.2	0.5
Other foodstuffs	21.4	1.6	33.0	2.1	30.7	1.7	44.9	2.9	15.7	1.2
Beverages and tobacco	<u>9.8</u>	<u>0.7</u>	<u>23.1</u>	<u>1.5</u>	<u>23.5</u>	<u>1.3</u>	<u>23.8</u>	<u>1.5</u>	<u>23.7</u>	<u>1.7</u>
Crude materials	<u>259.0</u>	<u>19.3</u>	<u>311.2</u>	<u>20.2</u>	<u>388.9</u>	<u>21.9</u>	<u>264.4</u>	<u>23.4</u>	<u>378.4</u>	<u>27.7</u>
Petroleum <sup>1</sup>	254.0	19.0	290.4	18.9	359.1	20.2	352.8	22.7	372.7	27.3
Quantity	1,288.1		1,354.3		1,057.2		1,064.4		1,126.5	
Unit value <sup>2</sup>	208.5		214.4		320.7		312.7		288.2	
Other	5.0	0.4	20.8	1.3	29.8	1.9	11.6	0.7	5.7	0.4
Chemicals	<u>122.5</u>	<u>9.1</u>	<u>139.3</u>	<u>9.0</u>	<u>139.6</u>	<u>7.9</u>	<u>172.3</u>	<u>11.1</u>	<u>182.1</u>	<u>13.4</u>
Pharmaceuticals	28.8	2.1	32.8	2.1	20.0	1.1	39.6	2.5	29.3	2.1
Fertilizers	12.2	0.9	11.9	0.8	20.0	1.1	30.8	2.0	41.0	3.0
Insecticides	24.9	1.9	29.1	1.9	33.7	1.9	51.6	3.3	59.0	4.3
Other	56.6	4.2	65.5	4.3	65.9	3.7	50.3	3.2	52.8	3.9
Manufactured goods	<u>240.5</u>	<u>18.0</u>	<u>325.1</u>	<u>21.1</u>	<u>294.5</u>	<u>16.6</u>	<u>266.6</u>	<u>17.2</u>	<u>233.4</u>	<u>17.1</u>
Machinery, equipment	<u>234.2</u>	<u>17.5</u>	<u>231.1</u>	<u>15.0</u>	<u>273.1</u>	<u>15.4</u>	<u>263.3</u>	<u>16.9</u>	<u>195.3</u>	<u>14.3</u>
Transport equipment	<u>137.7</u>	<u>10.3</u>	<u>140.2</u>	<u>9.1</u>	<u>227.1</u>	<u>12.8</u>	<u>166.9</u>	<u>10.7</u>	<u>154.3</u>	<u>11.3</u>
Automobiles	6.5	0.5	13.4	0.9	67.9	3.8	32.7	2.1	48.3	3.5
Trucks	34.4	2.6	26.1	1.7	70.4	4.0	63.7	4.1	42.5	3.1
Auto spare parts	70.8	5.3	70.5	4.8	55.2	3.1	38.9	2.5	33.1	2.4
Other	26.0	1.9	30.2	2.0	33.6	1.9	31.6	2.0	30.4	2.2
Textiles	<u>69.0</u>	<u>5.2</u>	<u>55.7</u>	<u>3.6</u>	<u>56.3</u>	<u>3.2</u>	<u>43.5</u>	<u>2.8</u>	<u>31.0</u>	<u>2.3</u>
Total	<u>1,339.0</u>	<u>100</u>	<u>1,540.3</u>	<u>100</u>	<u>1,774.3</u>	<u>100</u>	<u>1,554.4</u>	<u>100</u>	<u>1,363.8</u>	<u>100</u>

<sup>1</sup> Excluding re-exports.

<sup>2</sup> At 7.3 barrels per ton.

Table 9

## Origin of Imports, 1979/80-1983/84

(In millions of US dollars)

	1979/80	%	1980/81	%	1981/82	%	1982/83	%	1983/84	%
Western Europe	<u>624.9</u>	<u>46.6</u>	<u>649.2</u>	<u>41.6</u>	<u>637.8</u>	<u>36.0</u>	<u>585.1</u>	<u>38.6</u>	<u>534.5</u>	<u>38.9</u>
United Kingdom	162.4	12.1	207.1	13.3	185.8	10.5	199.0	13.1	141.4	10.3
Germany, F.R. of	123.8	9.2	97.2	6.2	115.6	6.5	98.2	6.5	88.7	6.5
France	106.4	7.9	106.5	6.8	112.8	6.4	63.9	4.2	74.8	5.4
Italy	33.4	2.5	41.2	2.6	48.2	2.7	43.4	2.9	44.3	3.2
Belgium	44.8	3.3	27.8	1.8	71.9	4.1	34.3	2.3	44.4	3.2
Others	154.1	11.5	169.4	10.9	103.5	5.8	146.3	9.6	110.8	8.1
Eastern Europe	<u>47.6</u>	<u>4.3</u>	<u>69.3</u>	<u>4.4</u>	<u>45.4</u>	<u>2.6</u>	<u>94.2</u>	<u>6.3</u>	<u>39.8</u>	<u>2.9</u>
Czechoslovakia	15.2	1.1	8.5	0.5	5.6	0.3	24.2	1.6	6.0	0.4
Yugoslavia	13.2	1.0	14.9	1.0	4.2	0.2	2.5	0.2	4.4	0.3
Others	29.2	2.2	45.9	2.9	35.6	2.0	67.5	4.5	29.4	2.1
China	41.6	3.1	54.0	3.5	52.1	2.9	32.5	2.1	31.4	2.3
Western Hemisphere	<u>143.8</u>	<u>10.7</u>	<u>187.3</u>	<u>12.0</u>	<u>224.8</u>	<u>12.7</u>	<u>176.1</u>	<u>11.6</u>	<u>153.0</u>	<u>11.1</u>
United States	125.2	9.3	112.9	7.3	212.7	12.0	128.7	8.5	137.6	10.0
Others	18.6	1.4	73.4	4.7	12.1	0.7	47.4	3.1	15.4	1.1
Africa and Asia	<u>196.8</u>	<u>14.7</u>	<u>244.9</u>	<u>15.7</u>	<u>229.4</u>	<u>12.9</u>	<u>217.8</u>	<u>14.4</u>	<u>195.8</u>	<u>14.3</u>
Japan	51.8	3.9	70.4	4.5	83.0	4.7	54.9	3.6	42.8	3.1
India	33.4	2.5	32.7	2.1	31.8	1.8	35.9	2.4	39.0	2.8
Pakistan	22.6	1.7	9.8	0.6	7.3	0.4	5.4	0.4	0.8	0.1
Others	89.0	6.6	132.0	8.5	107.2	6.0	121.6	8.0	113.2	8.2
Arab countries	<u>275.2</u>	<u>20.5</u>	<u>355.6</u>	<u>22.8</u>	<u>584.5</u>	<u>32.9</u>	<u>410.3</u>	<u>27.1</u>	<u>419.3</u>	<u>30.5</u>
Total	<u>1,339.9</u>	<u>100</u>	<u>1,560.3</u>	<u>100</u>	<u>1,774.0</u>	<u>100</u>	<u>1,516.0</u>	<u>100</u>	<u>1,373.7</u>	<u>100</u>

Source: Bank of Sudan

Table 10  
Sources of Imports (1979-1983)

(LS'000)

Origin	1979		1980		1981		1982		1984	
	Value	Share %	Value	Share %	Value	Share %	Value	Share %	Value	Share %
<u>World</u>	<u>477,318</u>	<u>100.0</u>	<u>788,187</u>	<u>100.0</u>	<u>866,700</u>	<u>100.0</u>	<u>1,207,272</u>	<u>100.0</u>	<u>1,492,713</u>	<u>100.0</u>
<u>Developing countries of which:</u>	<u>148,137</u>	<u>31.0</u>	<u>316,417</u>	<u>40.1</u>	<u>312,780</u>	<u>36.1</u>	<u>546,046</u>	<u>45.2</u>	<u>661,997</u>	<u>44.3</u>
Egypt	15,228	3.2	13,451	1.7	8,647	1.0	64,163	5.3	45,723	3.1
Ethiopia	-	-	2,743	0.3	714	0.1	184	-	5,139	0.3
Ivory coast	-	-	-	-	649	0.1	939	0.1	-	-
Kenya	1,114	0.2	2,057	0.3	3,325	0.4	5,595	0.5	21,105	1.4
Morocco	-	-	-	-	10	-	19	-	295	-
Nigeria	-	-	-	-	-	-	22	-	-	-
Tanzania	48	-	101	-	898	0.1	3,902	0.3	4,480	0.3
Tunisia	-	-	-	-	110	-	179	-	794	-
Brazil	8,368	1.8	36,956	4.7	5,078	0.6	41,146	3.4	10,058	0.7
Abu Dhabi	584	0.1	28	-	562	0.1	2,533	0.2	23,534	1.6
Bahrain	-	-	-	-	-	-	3,305	0.3	52,705	3.5
Bangladesh	5,226	1.1	16,022	2.0	12,892	1.5	8,590	0.7	1,957	0.1
Cyprus	146	-	101	-	65	-	152	-	359	-
Hong Kong	3,013	0.6	5,505	0.7	8,937	1.0	10,148	0.8	10,507	0.7
India	10,993	2.3	16,419	2.1	19,351	2.2	27,687	2.3	28,578	1.9
Jordan	139	-	159	-	188	-	18	-	929	0.1
Korea, Rep. of	12,873	2.7	16,853	2.1	23,885	2.8	17,180	1.4	20,737	1.4
Kuwait	21,884	4.6	61,529	7.8	56,549	6.5	104,713	8.7	38,631	2.6
Lebanon	459	0.1	596	0.1	2,186	0.3	2,572	0.2	1,864	0.1
Malaysia	41	-	59	-	70	-	1,801	0.1	4,456	0.3
Pakistan	5,171	1.1	8,883	1.1	5,078	0.6	5,897	0.5	893	0.1
Qatar	2	-	3	-	96	-	204	-	-	-
Saudi Arabia	39,377	8.2	110,555	14.0	125,358	14.5	196,346	16.3	240,631	16.1
Singapore	1,980	0.4	2,918	0.4	6,500	0.7	8,327	0.7	8,986	0.6
Sri Lanka	-	-	6	-	1,007	0.1	1,458	0.1	22	-
Syria	322	0.1	1,156	0.1	1,460	0.2	365	-	720	-
Thailand	226	-	90	-	166	-	2,441	0.3	12,353	0.8
Turkey	663	0.1	4,615	0.6	2,156	0.2	3,229	0.3	4,731	0.3
Yemen, Arab Rep.	-	-	-	-	-	-	-	-	2,873	0.2
Other Asian	1,314	0.3	4,286	0.5	13,293	1.5	24,562	2.0	67,237	4.5
Romania	3,151	0.7	1,599	0.2	6,042	0.7	5,553	0.5	38,284	2.6
Yugoslavia	7,470	1.6	7,586	1.0	4,317	0.5	1,780	0.1	6,907	0.5
Others	8,345	1.7	2,141	0.3	3,191	0.4	36	-	6,149	0.4
<u>China</u>	<u>19,623</u>	<u>4.1</u>	<u>26,059</u>	<u>3.3</u>	<u>29,671</u>	<u>3.4</u>	<u>25,927</u>	<u>2.1</u>	<u>30,772</u>	<u>2.1</u>
<u>Developed countries of which:</u>	<u>297,400</u>	<u>62.3</u>	<u>417,779</u>	<u>53.0</u>	<u>506,928</u>	<u>58.5</u>	<u>609,959</u>	<u>50.5</u>	<u>776,560</u>	<u>52.0</u>
Canada	1,106	0.2	847	0.1	717	0.1	3,179	0.3	10,832	0.7
United States	39,439	8.3	63,307	8.0	95,390	11.0	109,657	9.1	103,452	6.9
Japan	30,445	6.4	27,317	3.5	49,987	5.8	47,374	3.9	48,309	3.2
Austria	3,333	0.7	6,429	0.8	8,818	1.0	5,902	0.5	14,232	0.9
EEC	210,635	42.2	300,588	38.1	328,414	37.9	406,335	33.7	545,425	36.5
Finland	102	-	208	-	431	-	175	-	346	-
Malta	23	-	-	-	41	-	433	-	-	-
Norway	945	0.2	4,218	0.5	1,646	0.2	788	0.1	1,749	0.1
Portugal	244	0.1	-	-	204	-	311	-	19,145	1.3
Spain	1,097	0.2	2,975	0.4	4,255	0.5	10,237	0.8	6,593	0.4
Sweden	2,848	0.6	4,205	0.5	6,449	0.7	7,674	0.6	12,831	0.9
Switzerland	15,391	3.2	5,935	0.8	6,305	0.7	9,949	0.8	13,381	0.9
Australia	756	0.2	1,750	0.2	3,720	0.4	7,485	0.6	265	-
New Zealand	36	-	-	-	551	0.1	460	-	-	-
<u>Centrally-planned economies of which:</u>	<u>12,158</u>	<u>2.5</u>	<u>27,932</u>	<u>3.5</u>	<u>17,321</u>	<u>2.0</u>	<u>25,344</u>	<u>2.1</u>	<u>23,384</u>	<u>1.6</u>
Bulgaria	107	-	471	0.1	565	0.1	2,582	0.2	12,852	0.9
Czechoslovakia	3,704	0.8	6,677	0.8	4,369	0.5	14,899	1.2	4,640	0.3
Germany, Dem. Rep. of	2,493	0.5	4,520	0.6	10,594	1.2	5,582	0.5	350	-
Hungary	1,183	0.2	592	0.1	414	-	534	-	3,836	0.3
Poland	4,274	0.9	15,164	1.9	996	0.1	1,540	0.1	1,592	0.1
USSR	397	0.1	508	0.1	383	-	207	-	114	-

Source: Bank of Sudan, Twenty-Third Annual Report, 1982; Foreign Trade Statistical Digest 1984 (Bank of Sudan)



## 2. Balance-of-payments

### Recent developments in the balance-of-payments situation (Table 11)

49. Sudan's external payments position has been very weak for a number of years. Underlying this weakness has been an unsatisfactory export performance reflecting adverse production and terms of trade development and, until 1982/83 growing imports reflecting expansionary domestic policies. Despite a steady growth of private transfers and sustained external financial assistance, the effect of the large trade deficit has been exacerbated by the growth in debt service obligations resulting from large foreign borrowing, contracted largely during the period 1973/78, and rising international interest rates. The inability to generate sufficient foreign exchange to meet the growing debt service obligations resulted in the accumulation of payment arrears and has required debt relief on a significant scale from Sudan's creditors.

50. Table 11 shows that the current account deficit almost doubled between 1979/80 and 1981/82 to more than US\$1.2 billion before recording a substantial reduction in 1982/83 which continued in 1983/84. The deterioration up to 1981/82 reflected the widening of the trade deficit as exports declined, following a steady drop in cotton output, while imports rose to an annual rate of 15 per cent. Underlying the increase in imports was the continued growth in domestic demand and the high prices that Sudan has had to pay for commodities such as sugar and petroleum as a result of the increase in international prices, as well as the unfavourable terms on which short-term financing was provided. The net deficit on the service account also rose during this period essentially reflecting higher interest payments.

51. Beginning in 1982/83, however, there was a noticeable improvement in the current account position. Exports rose sharply in both 1982/83 and 1983/84 with the recovery of cotton exports brought about by higher production in the aftermath of the restructuring of financial relationships in the irrigated schemes which improved net returns to farmers. Imports, on the other hand, declined due to a combination of factors including restrained financial policies, quantitative restrictions, difficulty of securing short-term financing, decline in external assistance, and the uncertainty generated by the profound institutional changes implemented in 1983/84. As a result, the trade deficit was more than halved between 1981/82 and 1983/84.<sup>1</sup> Although part of that improvement was offset by a worsening of the services balance and by a decline of private transfers in 1983/84, the current account deficit was reduced by nearly US\$650 million between 1981/82 and 1983/84. Notwithstanding this improvement, the overall payments position remained very weak as official assistance declined. Consequently, Sudan was not able to effect full servicing of external debt obligations even though a considerable portion of these was rescheduled.

## 3. Export development

52. Agricultural products in their primary and processed forms account for the bulk of Sudan's exports and the paramount element in the country's export development policy has been to raise the export volumes of its

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<sup>1</sup>Due to the famine occasioned by the drought and the necessity of feeding the massive inflow of refugees from neighbouring countries the trade account balance for 1984/85 might present a difficult picture.

Table 11

Balance-of-Payments, 1979/80-1983/84

(in millions of US dollars)

	1979/80	1980/81	1981/82	1982/83	1983/84
Exports	581	538	432	573	732
Cotton	333	182	69	175	344
Other	248	356	373	398	388
Imports	-1,340	-1,540	-1,774	-1,516	-1,388
Petroleum <sup>1</sup>	-254	-290	-359	-353	-373
Sugar	-123	-184	-159	-53	-24
Other	-963	-1,066	-1,266	-1,110	-991
Trade balance	-759	-1,202	-1,342	-943	-656
Services	-82	-120	-220	-241	-290
Receipts <sup>2</sup>	261	260	250	250	225
Noninterest payments <sup>2</sup>	-273	-275	-280	-300	-300
Interest	-70	-105	-190	-191	-215
Private transfers	209	305	350	415	380
Current account balances	-632	-817	-1,212	-769	-566
Official transfers	84	122	174	462	336
Official capital receipts	532	499	685	219	194
Official capital payments	-90	-86	-97	-58	-16
Allocation of SDRs	13	11	-	-	-
Errors and omissions	18	51	-68	-74	- <sup>3</sup>
Overall balance	-75	-220	-518	-220	- <sup>3</sup>

<sup>1</sup>Excluding petroleum re-exports but including chemicals and spare parts for Sudan refinery.

<sup>2</sup>Partly estimated.

<sup>3</sup>Due to deficiencies in the monetary data, it has not been possible to quantitatively estimate the overall balance for 1983/84.

Source: Data provided by the Sudanese authorities.

traditional agricultural exports such as cotton, groundnuts, sesame seeds, grains, livestock and gum arabic. The strategies and problems involved in this programme as well as some general problems of agricultural export have been discussed in an earlier part of this study. The chapters are devoted to another element in Sudan's export programme, namely diversification and increase in the range of exports in the agricultural, manufacturing and mining

53. During the past decade Sudan has succeeded to an extent in adding a range of fairly new products to its export list including off-season fruits and vegetables, karkadeh, senna pods, haricot beans, bees wax, chillies, hides and skins, cotton yarn, etc. Other products with major export potential include, meat, horticultural products, leather and leather goods, sugar textiles and a range of minerals.

#### Fruits and vegetables

54. By virtue of its proximity to potential markets in Europe and the Middle East, Sudan is considered to be in a good position to export fruits and vegetables to these regions, with probable emphasis on off-season products to Europe. Although some products such as haricot beans, pulses and mangoes are exported, the country is far from attaining its potential in this sector, the main problem being that of obtaining exportable levels of production of the selected products, and preparing their shipment under conditions acceptable in the prospective markets.

#### Karkadeh (Hibiscus sabdariffa)

55. This plant product which has been consumed traditionally in Sudan as a herbal tea, additive, etc. and is also consumed in certain Middle East countries since the 1970s has been exported to Western Europe, Japan and North America, where it is applied in confectionary, cosmetic, medicinal and beverage usages. The problems with regard to this product include regularity and reliability of supplies, fulfilling phyto sanitary conditions demanded in various markets, packaging and labelling requirements. Faulty pricing policies have also led to growing competition from other suppliers e.g. Thailand.

#### Livestock/meat

56. As a major livestock producer the Sudan has the potential of also becoming a substantial livestock and meat exporter. A number of major problems will have to be overcome however in the areas of transportation and health and sanitary standards. Its export of meat is at present insignificant but it accounts for about 15-16 per cent of Saudi Arabia's total livestock imports. Saudi Arabia, the Gulf States and other states in the Arabian peninsula constitute the best potential markets for the livestock and meat products of Sudan if it can stand up to the strong challenge from competing suppliers such as India, New Zealand, Somalia, Australia etc. As an ITC study (ITC/DTC/397) concluded with regard to meat, "if special cuts are prepared according to international standards, packed and presented in an excellent way and delivered in the right time, according to the importer's wish, the Sudan can easily become one of the leading suppliers of these markets". The export of Sudanese meat to developed country markets can only be considered as a distant possibility.

### Leather

57. Sudan produces pickled, net blue and crust sheep skins, goat skins and hides for export but the level of export is relatively modest compared with its potential for the production and export of skins and leather. For this to be possible the country must possess the basic infrastructure necessary for the proper slaughter of animals, treatment of skins, well equipped and staffed tanneries etc.

### Cotton yarn

58. As a major producer and exporter of cotton, the production and export of yarns and fabrics could be considered as the logical steps in any programme for increasing the added value in this sector. Until 1982/83 when export of cotton yarn began in earnest, total production was consumed domestically. In 1982/83 exports increased by about 200 per cent and market studies suggest a considerable potential for increased export if problems connected with production bottlenecks, such as regular supply of spare parts for maintenance of machinery and equipment, regular water and power supply, skilled manpower, general supervision and management etc., as well as problems of quality, packaging and market organization, can be overcome. The right pricing policies for effective competition in export markets must also be worked out.

### Mineral exports

59. In spite of the presence in the Sudan of a number of minerals, export of mineral products currently play an insignificant role in the country's export economy. Currently only modest amounts of chromite are being exported. All of the crude gypsum mined is used locally and some gold is also mined. Past and recent geological surveys have so far encountered a broad range of minerals, including those mentioned above, and mica, iron ore, manganese, talc, tungsten, zinc, asbestos, copper, graphite, kyanite, wollastomite, fluorspar, limestone, rock salt and marble. The scope for further discoveries is regarded as considerable. Development of commercial mining operations has however in most cases so far been hampered by the failure, despite considerable government efforts, to attract investment by foreign companies and the lack of local funding. With regard to the mining of chromite which represents the best short-term export prospects in the metals sector, the main problems are lack of spare parts for machinery and equipment, difficult, unreliable and costly transportation facilities, and difficult and cumbersome export shipment procedures.

## SECTION III: TRADE REGIME AND COMMERCIAL POLICY

60. Sudan is a signatory to the Lome Convention which links a group of African, Caribbean and Pacific (ACP) developing countries to the EEC in a trade, cooperation and aid pact. Under the Convention about all goods from the ACP countries have duty-free entry into EEC markets, and while ACP countries offer no "reverse preferences" to EEC goods, they extend to EEC member countries equal m.f.n. treatment. Sudan is a beneficiary of the GSP schemes of developed countries and as a least-developed country it benefits from the special preferential treatment incorporated in most of these schemes.

## 1. Import regime

### Tariff system

61. The Sudanese tariff system is based on the Customs Cooperation Council Nomenclature (CCCN) and is essentially a two-column rate system. In the first column are general rates applicable to all countries other than Egypt and Jordan while in the second column are preferential rates for certain goods of Egyptian and Jordanian origin. Tariff schedule comprises both specific and ad valorem rates. Specific duties are applied to a limited number of goods including alcoholic beverages and tobacco. Dutiable weight is net weight, except for gasoline, on which duties are assessed by the metric ton; most other goods are assessed ad valorem rates based on the c.i.f. value. Rates vary from nil to 400 per cent. The Sudanese tariff is primarily revenue rather than protective in nature. Items classified as luxuries or non-essential goods fall in the highest duty range. Commodities not specifically mentioned in the tariff schedule are charged at a 40 per cent ad valorem rate. The rate of duty on capital goods and raw materials range from nil to 60 per cent, with the average rate 25 per cent. Machinery and raw materials may be imported duty-free by companies qualifying for incentives of the Development and Promotion of Industrial Investment Act 1972.

### Other taxes and charges on trade

62. Quay dues are assessed at Port Sudan on all goods discharged from any ship or transferred from one ship to another at the rate of 1.5 per cent ad valorem on the CIF value of goods.

63. Consumption taxes are collected, at the time of import, on certain products. Taxes are primarily specific and apply to a variety of goods, including alcohol and preparations containing alcohol, shoes, tobacco, and soaps.

64. A defence tax of 10 per cent is imposed on most imports. Among items exempted are agricultural equipment except items for horticulture, gardening, and sport fields; certain harvesters and farm tractors; fertilizers; insecticides for agricultural purposes when not for retail sale; seeds; jute; all industrial raw materials approved by the Ministry of Industry; medicines; skimmed milk; dates; bicycles; printed matter; and imports by companies given government exemption from current or future taxes. An additional tax is levied at a rate of 10 per cent on all imports except sugar, wheat, flour, petrol, tobacco, and cigarettes.

### Import regime and controls

65. In general, all imports into the Sudan are subject to prior approval requirements, except for the following: goods imported by the Sudanese government; goods imported by parcel post or air freight with a value of less than LS2; trade samples of no commercial value; and vehicles travelling across the customs boundary for the purposes of carrying goods or passengers.

66. The prior approval system has two regimes. Goods which are likely to compete with locally produced commodities and/or luxury items are subject to specific licenses. Goods considered essential for consumption or for economic development (e.g. raw materials for local industry, spare parts, agricultural equipment, medicines, and certain capital and consumer goods)

are imported under an open general licensing programme in which prior registration of the import is required. Items not on the open general license list require specific licenses. Certain imports are prohibited for protective reasons. Certain other imports are permitted only when acceptable foreign financing is obtained. Sugar, wheat, and petroleum products are imported only by a state agency.

In order to administer the system of controls outlined above the following categories of imports have been established:

- (a) goods which may be imported under open general license;
- (b) goods imported under open general license by/or on behalf of public sector enterprises;
- (c) goods (under specific license) which may be imported on the basis of an annual quota;
- (d) goods (under specific license) which may be imported under prior authorization by an appropriate ministry;
- (e) prohibited goods;
- (f) goods not elsewhere specified and valued at LS2 or more which must be covered by an import license.

#### State trading and government procurement

67. A number of government corporations and institutions participate in trade but they do not have a monopoly in any section of trade and most often compete with the private sector. Sales to the government may be made through private agents, state trading companies, government ministries and agencies, state-owned agricultural bodies and irrigation schemes, and government controlled industries. The State Trading Corporation through its various branches is the biggest importing body in the country. Its Trade and Services Corporation is the country's largest importer of general merchandise; its Engineering Equipment Corporation is an importer and distributor of agricultural, engineering, accounting, electronic and household equipment, while the Automobile Corporation is a leading importer of trucks, vehicles and their spare parts.

## 2. Export regime

### Export regime - controls

68. All exports, except cotton and gum arabic are subject to licensing. Export licenses are obtainable from the Ministry of Co-operation, Commerce and Supply immediately after presentation of the contract authenticated by the Bank of Sudan. All goods, except gold, silver, tiger skin, and zebra skin may be exported subject to sufficient availability to meet local demand.

69. Agricultural commodities for export are subject to standards of quality in accordance with the Produce Inspection Act of 1972. A rigorous quality control program has been initiated by the government particularly for groundnuts, sesame and sorghum to keep up with international standards. Inspection is done in auction markets and in cleaning plants where quality is monitored. Storage and packaging are also supervised to assure compliance with specifications.

### Export taxes

70. Export duties, at varying rates are imposed on certain export products specifically included in the tariff schedule, which include principal items such as gum arabic, cotton seeds, meat, livestock, hides and skins. Products exempted include cotton, groundnuts, sesame, vegetable oils, karkadeh and dehydrated onions.

71. There is also a development tax of 5 per cent imposed on the f.o.b. value of most exports. Exemption include cotton yarn, sesame seeds, groundnuts, vegetable oils, dehydrated onions, karkadeh, and oilcakes.

### Export promotion

72. An Export Promotion Department was created in 1980 within the Ministry of Co-operation, Commerce and Supply in order to coordinate Sudan's export-related activities and serve as a focal point for export development. Like similar bodies elsewhere, it conducts market surveys with the objective of identifying problems confronting Sudan's exports in external markets, locating potential buyers for these products, and formulating export marketing strategies for them. It advises companies on product adaptation, new product design, processing techniques, quality controls, packaging etc. In the long run it is expected that this Department will evolve policies aimed at influencing and guiding exporters in Sudan as well as trade promotion institutions. It is aided in its activities by international institutions such as ITC, UNCTAD, UNIDO, World Bank and the EEC.

## SECTION IV: TARIFF AND NON-TARIFF MEASURES AFFECTING EXPORTS OF THE REPUBLIC OF THE SUDAN IN SELECTED DEVELOPED MARKETS

### Tariff treatment

73. In the sections below an attempt has been made to give a presentation of the tariff situation affecting exports of the Republic of Sudan into certain developed markets on the basis of recent trade. Table 12 shows the tariff situation in eleven developed markets on a representative list of products of export interest to Sudan, while Table 13 shows the non-tariff measures affecting the products.

74. Most exports of the Republic of the Sudan enjoy duty-free access to the markets of developed countries under various preferential regimes. Under the GSP schemes of many developed countries its exports are accorded special preferential treatment as a least-developed country, and under the Lome Convention almost all its exports to the EEC enjoy duty-free access. However, as can be seen from Table 12 there are some exceptions to the situation described above, in a few countries and markets.

75. On the basis of 1983 actual trade, all imports of Australia from Sudan which comprised of gum arabic, natural lacs, natural gums and resins, were imported duty-free. However, Table 12 shows that a number of products of export interest to Sudan are subject to duties in Australia. They include certain vegetable items, food items, certain leather and leather products, and cotton yarn.

Table 12  
Tariff Situation in Eleven Developed Markets on Selected Products of Export Interest to Sudan

COO tariff items	Product description	Australia	Austria	Canada	EC	Finland	Japan	New Zealand	Norway*	Sweden	Switzerland	United States <sup>1</sup>
0106	Live animals	GSP: Free	MEN: Free	MEN: Free	MEN/ACP: Free	MEN: Free and 10%	MEN: Free	MEN: Free		MEN: Free	Positive and zero rates	[Ex] MEN/GSP: Free [Ex] MEN positive rates
0303	Crustaceans and molluscs, in shell or not	MEN: Free	LDC: Free	MEN/GSP: Free, MEN 8%	ACP: Free	MEN: Free	LDC: Free	MEN/GSP: Free and GSP: 15% LDC 0	[Ex] MEN/GSP: Free [Ex] MEN: positive rates	[Ex] MEN/GSP: Free [Ex] MEN/LDC: positive rates	Positive rates	[Ex] MEN/GSP: Free [Ex] MEN/LDC: positive rates
0509	Ivory, tortoise shell, horns etc. unworked, or simply prepared; waste and powder	GSP: Free	MEN: Free	MEN: Free	MEN/ACP: Free	MEN: Free	MEN: Free	MEN: Free	MEN: Free	MEN: Free	GSP: Free	[Ex] MEN/GSP: Free
0512	Coral and similar substances, unworked or simply prepared; waste and powders	GSP: Free	MEN: Free	MEN/GSP/LDC Free	MEN/ACP: Free	MEN: Free	MEN, LDC: Free	MEN: Free	MEN: Free	MEN: Free	GSP: Free	[Ex] MEN/GSP: Free [Ex] MEN: 3%
0704	Dried, dehydrated or evaporated onions	MEN: ASD. 4/kg	LDC: Free and MEN: 25%	MEN: Free and 10%	ACP/LDC: Free (MEN: 16% olives)	MEN: 7%, 10%	LDC: Free	MEN/GSP: zero and positive rates LDC 0	MEN: Free and positive rates	MEN: Free and positive rates	GSP: Free (onions)	[Ex] MEN/GSP: Free [Ex] MEN: 30%, 35%; specific rates LDC: 25%
0705	Dried peas and beans, not for sowing	Various rates from GSP: Free to MEN: 25%	MEN: Free and 15%	[Ex] MEN/GSP: Free, [Ex] MEN/GSP: positive	ACP/LDC: Free	MEN: 0-12%	[Ex] Temporary: 10% [Ex] MEN: Free	MEN/GSP: Free	MEN: Free	MEN: Free	GSP/LDC: Free MEN positive	[Ex] MEN/GSP: Free
0801	Coconuts, Brazil & cashewnuts, avocados, mangoes, bananas, mangosteens	MEN: Free	LDC/MEN: Free and positive rates	MEN/GSP: Free and MEN: 10%	MEN/ACP: Free	MEN: Free and positive rates	LDC: Free and temporary: 6%	MEN: Free	MEN: Free	MEN: Free	GSP/LDC: Free	[Ex] MEN/GSP: Free [Ex] MEN: 35%; specific rates LDC: specific rates
0904	Pepper of the genus "piper"	MEN: Free	LDC: Free and positive rates	MEN/GSP: Free	MEN/ACP: Free	MEN: Free	LDC & MEN: Free	MEN: Free and GSP: 10% LDC 0	MEN: Free	MEN: Free	GSP: Free	[Ex] MEN/GSP: Free [Ex] MEN/LDC: Free
1007	Buckwheat, millet, canary seed and other cereals	GSP: Free	MEN: 10 & 20 schillings per 100 kg	[Ex] MEN/GSP: Free, [Ex] MEN: 5.8%, 10.5%	(L) Import Levies	MEN: 5%	MEN: Free and 5%	MEN: Free	MEN: Free	MEN: Free	MEN: SD-0.6 per 100kg	[Ex] MEN/GSP: Free [Ex] MEN: 2/5%; specific rates
1201	Groundnuts; vicia, hemp, sesamum seeds and linseeds	GSP: Free	[Ex] MEN: Free and positive	MEN/GSP/LDC: Free and MEN: 10%	MEN/ACP: Free	MEN: 10%	[Ex] MEN: Free [Ex] temporary: Free	MEN: Free	MEN: Free	MEN: Free	[Ex] LDC: Free [Ex] MEN: positive	[Ex] MEN/GSP: Free [Ex] MEN/LDC: specific rates
1203	Seeds, fruit and spores of a kind used for sowing	MEN: Free and 10%	MEN: Free and positive	MEN: Free and 10% and specific rate	MEN/LDC/ACP: Free	MEN: Free and positive rates	[Ex] MEN: Free [Ex] temporary: Free	MEN: Free	MEN: Free	MEN: Free	LDC: Free	[Ex] MEN/GSP/LDC: Free [Ex] MEN: specific rates
1207	Plants and parts of plants used in perfumery, pharmacy or for insecticides	MEN: Free and 5%	MEN: Free	MEN/LDC: Free	MEN/ACP: Free	MEN: Free	[Ex] Temporary: Free, [Ex] LDC: Free	MEN: Free	MEN: Free	MEN: Free	MEN/LDC: Free and MEN: positive rates	[Ex] MEN/GSP: Free [Ex] MEN: 6.5%; specific rates

\*All imports of Norway from Sudan and all other least-developed countries are duty free.



Table 12 (continued)

CCRN tariff items	Product description	Australia	Austria	Canada	EEC	Finland	Japan	New Zealand	Norway*	Sweden	Switzerland	United States <sup>1</sup>
1208	Locust beans, fruit kernels and other vegetable produced for human food	GSP: Free	MFN: Free	MFN: Free	MFN/ACP: Free	GSP: Free	MFN: 5%	MFN: Free		MFN: Free	MFN/LDC: Free and MFN: positive rates	[Ex] MFN/GSP: Free [Ex] MFN: 5%, specific rates
1302	Shellac, seed lac, stick lac, etc. natural gums, resins, gum-resins and balsams	MFN: Free	MFN/LDC: Free	MFN/GSP: Free	MFN/ACP: Free	MFN: Free	Various zero and positive rates	MFN/GSP: Free and GSP: 25% LDC 0	MFN: Free	MFN: Free	GSP/MFN: Free	MFN: Free and 3%
1303	Vegetable saps and extracts	GSP & MFN: Free and GSP 20%	MFN: Free and 15% LDC: Free	MFN/LDC: Free and MFN: specific	MFN/ACP: Free	MFN: Free	Various zero and positive rates	MFN/GSP: Free and GSP: 25% LDC 0	MFN: Free	MFN: Free	MFN: positive and GSP: Free	[Ex] MFN/GSP: Free [Ex] MFN: specific rate, compound rate
1405	Vegetable products not elsewhere specified or included	MFN: Free	MFN/LDC: Free	MFN/LDC: Free and MFN: 10%, 17.5%	MFN: Free	MFN: Free	MFN/LDC: Free and 5%	MFN: Free	MFN: Free	MFN: Free	GSP: Free	[Ex] MFN/GSP: Free [Ex] MFN: 7.5%
1507	Oil (except linseed, castor, tung, olive, etc.) unfit for immediate consumption	MFN: Free and 10%	MFN: Free and positive	MFN/GSP/LDC: Free and MFN: 8.1% to 17.5%	(L) Import levies and MFN/ACP: Free	MFN: Free and positive rates	Various positive and zero rates	MFN/GSP: Free and GSP: 10% LDC 0	[Ex] MFN/GSP: Free [Ex] MFN: positive rates	[Ex] MFN/GSP: Free [Ex] MFN: positive rates	MFN: positive rate and GSP: Free	[Ex] MFN/GSP/LDC: Free [Ex] MFN: 4%, specific rate compound rate, LDC: 7.5%
1511	Glycerol and glycerol dyes	MFN: 10% and GSP: Free	LDC: Free	MFN: Free and 15.1%	ACP: Free	MFN: Free	LDC: Free	MFN/GSP: Free	MFN: Free	MFN: Free	GSP: Free	GSP: Free
1515	Resinax and other insect waxes	GSP: Free	MFN/LDC: Free	MFN/GSP: Free and MFN: 2.4%	MFN/ACP: Free	MFN: Free	GSP/LDC Business: 7.5%	MFN/GSP: Free	MFN: Free	MFN: Free	GSP: Free	[Ex] MFN/GSP: Free [Ex] MFN: specific rate
1703	Molasses	GSP: Free	MFN: specific rates	MFN: Free and specific rates	(L) Import levies	MFN: Free and positive rates	Various positive rates	MFN: Free	MFN: Free	MFN: Free	MFN: positive rate	GSP: Free
2006	Nuts (incl. groundnuts), roasted in immediate packings of more than 1kg	Various positive and zero rates	MFN/LDC: Free and positive rates	MFN: Free and 5%-15%, specific and compound rates	MFN/ACP: Free and (L) Import levies	MFN: Free and positive rates	Various positive and zero rates	GSP/MFN: Free and GSP: 25% LDC 0	MFN: Free	MFN: Free	LDC/GSP: Free and MFN: positive rates	[Ex] MFN/GSP: Free [Ex] MFN: 3.5%-35%, specific rates & compound rates, LDC: 3.4%, 7%
2107	Food preparations, nspf (macaroni, spaghetti, vermicelli, noodles, etc.)	GSP: Free and MFN: 10%	MFN: positive rates	MFN/GSP/LDC: Free and MFN: 12.5%, 17.5%	LDC: Free and (L) Import levies	MFN: Free and positive rates	Various positive and zero rates	GSP: Free and positive rates	[Ex] MFN/GSP: Free [Ex] MFN: positive rates	[Ex] MFN/GSP: Free [Ex] MFN: positive rates	LDC: Free and GSP/MFN: positive rates	GSP: Free and MFN: 5%-25%, specific rates and LDC: 16%
2304	Oil cake and other residues from the extraction of vegetable oils	MFN: Free	MFN: Free	MFN/LDC: Free	MFN: Free and (L) Import levies	MFN: 10%	MFN/LDC: Free	GSP: 15%	MFN: Free	MFN: Free	GSP: Free	[Ex] MFN: 0.34lb [Ex] GSP: Free
2402	Cigarettes	Various positive rates	MFN: positive rates	MFN/GSP/LDC: Free and MFN: positive rates	ACP: Free	MFN: positive rates	Various positive and zero rates	GSP: positive rates LDC 0	GSP: Free and MFN: positive rates	GSP: Free and MFN: positive rates	MFN: positive rates	[Ex] GSP: Free [Ex] MFN: specific rates, compound rates

\*All imports of Norway from Sudan and all other least-developed countries are duty free.

Table 12 (continued)

COGN tariff items	Product description	Australia	Austria	Canada	EC	Finland	Japan	New Zealand	Norway*	Sweden	Switzerland	United States <sup>1</sup>
2601	Ores and concentrates	GSP: Free	MFN: Free	MFN/GSP/LDC: Free	MFN: Free	MFN: Free	MFN: Free	MFN: Free		GSP: Free	MFN: Free	MFN/GSP: Free
2709	Petroleum oils and oils obtained from bituminous minerals, crude	MFN: Free	LDC: Free	MFN: Free and 44.50 per gallon	MFN: Free	GSP: Free	Temporary: 6404/kg	MFN: Free		GSP: Free	MFN: positive rates	MFN: 0.125% and 0.25% per gallon
2710	Petroleum oils and oils obtained from bituminous minerals, other than crude	Various positive and zero rates	LDC: Free	MFN/LDC: Free and MFN: 6%	MFN/ACP: Free	MFN: Free and positive rates	Various positive and zero rates	MFN: Free and positive rates		GSP: Free	MFN: positive rates	[Ex] MFN/GSP: Free [Ex] MFN: specific rates
4001	Natural rubber latex; pre-vulcanized natural rubber latex	Various positive and zero rates	MFN: Free	MFN/GSP: Free	MFN: Free	GSP: Free	MFN: Free	MFN: Free		GSP: Free	GSP: Free	MFN/GSP: Free
4101	Raw hides and skins, including sheepskins in the wool	GSP: Free	MFN: Free	MFN: Free	MFN: Free	GSP: Free	MFN: Free	MFN: Free		GSP: Free	GSP: Free	[Ex] MFN/GSP: Free [Ex] MFN/LDC: specific
4103	Sheep and lamb skin leather	GSP: Free and 10%	MFN/LDC: Free	MFN/GSP/LDC: Free	MFN/ACP: Free	MFN: Free or positive rates	GSP/LDC: Free	MFN: Free and 30% LDC 0		GSP: Free	GSP: Free	[Ex] MFN/GSP: Free [Ex] MFN: 5%
4105	Other kinds of leather	GSP: Free and 10%	MFN/LDC: Free	MFN/GSP/LDC: Free	MFN/ACP: Free	GSP: Free	GSP: Free	MFN: Free		GSP: Free	GSP: Free	[Ex] MFN/GSP: Free [Ex] MFN: 5% & LDC: 4, 2%
4202	Travel goods	GSP: Free and positive rates	LDC: Free	MFN/GSP/LDC: Free and MFN: 22.5%, 25%	ACP: Free	MFN: positive rates	LDC: Free	GSP: Free and positive rates		GSP: Free	GSP: Free	[Ex] MFN: 8%-30% LDC: 8%-9%
4203	Articles of apparel and clothing accessories of leather	Various positive and zero rates	LDC: Free	MFN/GSP/LDC: Free	ACP: Free	MFN: positive rates	MFN: positive rates	MFN: Free and positive rates		MFN: 7.9%-70%	GSP: free	[Ex] MFN: 6%, 15%, specific rate, LDC: 14%, specific rate, [Ex] GSP: Free
4405	Wood saw lengthwise, sliced or peeled	Various positive and zero rates	MFN/LDC: Free	MFN: Free	MFN/ACP: Free	GSP: Free	MFN/GSP/LDC: Free	MFN/GSP: Free		GSP: Free	MFN/GSP: Free	MFN/GSP: Free
4415	Plywood, blockboard, wood marquetry	Various positive rates	LDC: Free and MFN: positive rates	GSP/LDC: Free	ACP: Free	GSP: Free	MFN: 30% and GSP: Free	GSP: Free, 10%, 25% LDC 0		GSP: Free	GSP: Free	[Ex] MFN/LDC: 8% [Ex] GSP: Free
4421	Complete wooden packing cases	GSP: Free	LDC: Free	LDC: Free	ACP: Free	GSP: Free	GSP: Free	MFN/GSP: Free		GSP: Free	GSP: Free	MFN/LDC: Free
4602	Plaits and similar products of plaiting materials	GSP: Free	MFN/LDC: Free	LDC: Free	MFN/ACP: Free	GSP: Free	GSP/LDC: Free	GSP: 15% LDC 0		GSP: Free	GSP: Free	[Ex] GSP: Free, [Ex] MFN: 1.3%-12.5% and LDC: 5.8%
4603	Basketwork, wickerwork, and other articles of plaiting materials	GSP: Free	LDC: Free	LDC: Free	ACP: Free	GSP: Free	GSP: Free	GSP: 15%		GSP: Free	GSP: Free	[Ex] MFN: 12.5% & GSP: Free [Ex] LDC: 5.8%
5501	Cotton, not carded nor combed	MFN: Free	MFN: Free	MFN: Free	MFN: Free	GSP: Free	MFN: Free	MFN: Free		GSP: Free	LDC: Free	MFN: Free and 2% and 0.74 per lb
5502	Cotton linters	GSP: Free	MFN: Free	MFN: Free	MFN: free	GSP: Free	MFN: Free	MFN: Free		GSP: Free	LDC: Free	MFN: Free

\*All imports of Norway from Sudan and all other least-developed countries are duty free.

Table 12 (continued)

CCN tariff items	Product description	Australia	Austria	Canada	EEC	Finland	Japan	New Zealand	Norway <sup>1</sup>	Switzerland	United States
5503	Cotton waste nor combed nor combed	GSP: Free	MFN: Free and LDC: 1%	MFN/GSP: Free	MFN: Free	GSP: Free	MFN: Free	MFN: Free	GSP: Free	LDC: Free	MFN: Free-57
5505	Cotton yarn not put for retail sale	Various positive and zero rates	LDC: positive rates	MFN/GSP/LDC: Free MFN: 14, 2%	ACP: Free	MFN: Free and positive rates	GSP: Free	GSP: Free	MFN/GSP: Free and MFN: positive rates	LDC: Free	MFN: 4, 4%-12% and compound rates
5802	Other carpets, carpeting, rugs, mats and matting than those of coco and tufted	Various positive and zero rates	LDC: positive rates	GSP/LDC: Free and MFN: 22.5%, 25%	ACP: Free	MFN: Free and positive rates	GSP/LDC: Free	GSP: positive rates LDC 0	GSP: Free	LDC: Free	[Ex] MFN/GSP: Free [Ex] MFN: 3, 9%-18%
6203	Sacks and bags of a kind used for the packing of goods	MFN: Free and 3%	LDC: positive rates	GSP: Free and MFN: 25.6%	ACP: Free	GSP: Free	GSP: Free	MFN: Free and GSP: Free	GSP: Free	LDC: Free	MFN: 2, 4%-37.5%, compound and LDC: 5, 8%, 6, 6%
7107	Gold incl. platinum-plated gold unwrought or semi-manufactured	GSP: Free	MFN/LDC: Free	MFN/LDC: Free	MFN/ACP: Free	GSP: Free	MFN/GSP: Free	MFN: Free	GSP: Free	MFN/GSP: Free	[Ex] GSP: Free [Ex] LDC: 8, 2%
7113	Articles of goldsmith's or silver smith's wares and parts thereof	GSP: Free and 15%	LDC/MFN: Free	MFN/LDC: Free	ACP: Free	GSP: Free	GSP: Free	GSP: positive	GSP: Free	GSP: Free	GSP: Free
7901	Unwrought zinc; waste & scrap	MFN: Free	MFN/LDC: Free	MFN/LDC: Free	MFN/ACP: Free	GSP: Free	GSP: Free	MFN/GSP: Free	GSP: Free	GSP: Free	[Ex] MFN: Free [Ex] LDC: 1, 6%

<sup>1</sup>All imports of Norway from Sudan and all other least-developed countries are duty free.

LDC rates are MFN final rates.

- Source: - Australia: Customs Tariff, Australian Customs Services, Canberra, February 1985  
 - Austria: Österreichischer Gebrauchs zoll tarif, April 1985  
 - Canada: Customs Tariff, effective 1 January 1985  
 - EEC: Official Journal C20, 31 January 1985  
 - Japan: Customs Tariff schedules of Japan 1985, Japan Tariff Association  
 - New Zealand: Tariff Amendment, January 1985, Customs Department, Wellington  
 - Norway: GATT L/4472/Add.3, 28 February 1980  
 - Sweden: Tull verkets forfattningar - handboken, January 1985, Stockholm  
 - Switzerland: Tarif d'usage des douanes suisses, état au 1er Janvier 1985, Direction générale des douanes  
 - United States: Tariff Schedules of the United States, USITC, Washington 1985

Table 13  
Quantitative Restrictions Applied to Items of Export Interest to Sudan

CCCN tariff item	Product description	Australia	Austria	Canada	EEC	Finland	Japan	New Zealand	Norway	Sweden	Switzerland	United States
0106	Live animals			M, Exp		DL	ExCQ	P, R,	ExDL, CQ			
0303	Crustaceans and molluscs, in shell or not						ExCQ	R				
0509	Ivory, tortoise shell, horns, etc. unworked, or simply prepared; waste and powder						ExCQ	P, R				
0512	Coral and similar substances, unworked or simply prepared, waste and powders											
0704	Dried, dehydrated or evaporated onions				ExR			ExCQ, P	ExLL		ExDL	
0705	Dried peas and beans, not for sowing				EEC Greece R	ExDL	ExDQ	ExCQ, P			ExDQ	
0801	Coconuts, Brazil & cashewnuts, avocados, mangoes, bananas & mangoosteens				EEC ExR France, Greece ExR Italy, UK ExCQ	ExDL, CQ		Exp				
0904	Pepper of the genus 'piper'							ExCQ				
1007	Buckwheat, millet, canary seed and other cereals		ST, ExDL					Exp	ExST		ExAL, CQ	
1201	Groundnuts; colza, hemp, sesame seeds and linseed				EEC ExR Greece R	ExDL	ExCQ	ExCQ			AL	ExCQ
1203	Seeds, fruit and spores of a kind used for sowing							CQ, P			ExAL, CQ	
1207	Plants and parts of plants used in perfumery, pharmacy or for insecticide											
1208	Locust beans, fruit kernels and other vegetable products for human food				ExR		ExCQ				ExAL	
1302	Shellac, seed lac, stick lac, etc; natural gums, resins, gum-resins and balsam						ExDL					
1303	Vegetable saps and extracts				ExR			ExCQ			ExAL	
1405	Vegetable products not elsewhere specified or included										ExAL	
1507	Oil (except linseed, castor, tung, olive, etc.) unfit for immediate consumption				EEC ExR Greece R	ExDL, CQ		ExCQ			ExAL	
1511	Glycerol and glycerol dyes							CQ				
1515	Beeswax and other insect waxes							ExCQ, P				
1703	Molluscs	P		LL		ExDL		ExCQ, R	ExST	L, Q		QC
2006	Nuts (incl. groundnuts), roasted in immediate packings of more than 1kg.					ExDL	ExDL, CQ	CQ	ExDL	ExR		
2107	Food preparations, n.s.p.f. (macaroni, spaghetti, vermicelli, noodles, etc.)				France ExDL, L		ExDL, CQ	ExCQ	ExDL, LL	ExR		QC
2304	Oil cake and other residues from the extraction of vegetable oils					DL		CQ	ST			CQ

Table 13 (continued)

CCCN tariff item	Product description	Australia	Austria	Canada	EEC	Finland	Japan	New Zealand	Norway	Sweden	Switzerland	United States
2402	Cigarettes		SI		France, Italy, Ireland		ExDL	ExDL			ExLL	
2601	Ores and concentrates				France R	DL					AL	R
2709	Petroleum oils and oils obtained from bituminous minerals, crude				France E&R	ExDL, ExCQ			ExAL		ExLL	ExR
2710	Petroleum oils and oils obtained from bituminous minerals, other than crude							ExCQ				
4001	Natural rubber latex; pre-vulcanised							ExDL				
4009	Piping and tubing of unhardened vulcanised rubber							ExDL				
4014	Other articles of unhardened vulcanised rubber							ExDL, ExCQ, CQ				
4101	Raw hides and skins, including sheepskins in the wool											
4103	Sheep and lamb skin leather						ExDL	CQ				
4105	Other kinds of leather							CQ				
4202	Travel goods							ExCQ	ExAL			
4203	Articles of apparel and clothing accessories of leather							ExCQ, ExDL	LI, ExBQ			
4405	Wood sawn lengthwise, sliced, or peeled							ExCQ				
4415	Plywood, blockboard, wood marquetry etc.							CQ				
4421	Complete wooden packing cases							ExCQ				
4427	Articles of furniture, of wood							ExCQ				
4602	Plaits and similar products of plaiting materials											
4603	Basketwork, wickerwork, and other articles of plaiting material							ExCQ	ExAL			CQ
5501	Cotton not carded, or combed											
5502	Cotton linters											
5503	Cotton waste not carded nor combed							CQ				CQ
5505	Cotton yarn not put for retail sale								AL	BQ		
5802	Other carpets, carpeting, rugs, mats and matting than those of coco and tufted				France, Greece } ExR			ExCQ	ExAL			
6005	Knitted goods of synthetic textile fibres				France, Greece, Italy, Ireland } ExR			ExCQ, ExDL	LI, ExBQ, ExCQ	BQ, ExBQ	ExLL	BQ
6203	Sacks and bags of a kind used for the packing of goods				France, Italy, Ireland } ExR			ExDL				
7901	Unwrought zinc; waste and scrap				UK } ExCQ							

Source: NTM/H/6

76. Austria's imports from Sudan amounted to about US\$220,000 in 1982 and comprised mostly raw cotton, vegetable oilcake, natural gums and resins; vegetable oilseeds; cereals, and parts of plants. All imports were duty-free with the exception of millet which was subject to a specific duty. There are, however, a number of other products of general export interest to Sudan which are subject to positive duties in Austria. They include molasses and cotton yarn.

77. Canada's imports from Sudan which amounted to about US\$70,000 in 1982, comprised almost wholly gum arabic which has a duty-free access to the Canadian market. Though not imported from Sudan products such as dehydrated vegetables, and cotton yarns, which are of export interest to Sudan, are subject to duties in Canada.

78. The EEC (10) constitutes the largest market for the exports of Sudan. In 1982 total imports from Sudan amounted to about US\$157 million, compared with the level of US\$230 million achieved in 1980. Major imports include fruits and vegetables; spices; cereals; medicinal plants; gum arabic and other natural gums; beeswax; vegetable oilseeds and oils; fuel oils; molasses; vegetable oilcakes; hides and skins, cotton lint; cotton yarns; raw zinc, etc. Imports were duty-free on m.f.n. basis and on the basis of the Lome Convention. However, the following products which fall under the common agricultural policies of the EEC, are subject to variable import levies: millet; sorghum and certain other grains (CCCN 10.07); molasses (CCCN 17.03).

79. In 1982 imports of Finland from Sudan amounted to about US\$4.25 millions comprising mainly gum arabic, rawhides and skins, and pre-tanned leather. Other imports were groundnuts, shelled and unshelled, as well as plant parts for use in pharmacy or perfumery. All imports were duty-free with the exception of groundnuts which were subject to an m.f.n. duty of 10 per cent. There are however, some other products of general export interest to Sudan which are subject to duties in Finland. They include cereals, dehydrated onions, certain leather and travel goods, certain kinds of cotton yarn.

80. Japan's imports from Sudan in 1982 amounted to about US\$45.9 million and comprised mainly sesame seeds, elephant tusks, gum arabic and raw cotton. Other imports were fruit kernels, plant parts for use in pharmacy and perfumery, hides and skins. All above mentioned imports are duty-free except certain fruit kernels and vegetable products (ex12.08) which are subject to an m.f.n. duty of 5 per cent. Certain other products of export interest to Sudan which are subject to duties in Japan include certain crustaceans and molluscs, bees wax and molasses.

81. Imports to New Zealand from Sudan in 1982 amounted to about US\$25,000 and comprised solely of lacs and natural gums which enjoy a duty-free entry, however, a few other products of export interest to Sudan are subject to duties in New Zealand. They include dehydrated vegetables, certain kinds of leather, sacks and bags.

82. In 1982 Norway's total imports from Sudan amounted to US\$470,000 of which US\$466,000 was accounted for by gum arabic. Other imports were locust beans and natural rubber latex. All imports from Sudan have duty-free access to the Norwegian market.

83. Sweden's imports from Sudan totalled about US\$2.2 million in 1982 and consisted mainly of gum arabic and other natural gums, crude groundnut oil, non-alcoholic preparations, raw hides and skins, and pre-tanned leather. All imports were duty-free on m.f.n. and GSP basis. There are however a few items of general export interest to Sudan which are subject to duties in Sweden such as certain dehydrated vegetables and certain kinds of cotton yarn.

84. The imports of Switzerland from the Sudan, in 1983 amounted to about US\$2.0 million compared with US\$9.3 million in 1975. Imports ranged from agricultural products such as fruits and vegetables oilseeds, and gum arabic to industrial raw materials such as raw cotton and mineral items. Almost all imports were duty-free on m.f.n. and GSP basis and on the basis of the special GSP treatment in favour of the least-developed countries. The only exception were imports of buckwheat, millet, sorghum and other cereals (CCCN ex10.7) which are subject to levies. Few other products of general export interest to Sudan which are not imported by Switzerland from Sudan but are however, subjected to duties, include molasses.

85. Imports of the United States from Sudan in 1983 amounted to about US\$4.5 million and ranged from vegetable seeds, natural drugs to raw cotton, and minerals. The main imports were hides and skins, garden and field seeds, food preparations such as macaroni, noodles and similar pastas, gum arabic and other natural gums, raw cotton, crude natural drugs, solvent dyes n.s.p.f., leather footwear n.e.s. Most imports were duty-free on m.f.n. and GSP basis. The following products were subject to duties: watermelon seeds, prepared or preserved (CCCN 12.03) 5 per cent; raw cotton, having a staple length of 1<sup>1</sup>/<sub>8</sub> inches or more but less than 1<sup>11</sup>/<sub>16</sub> inches (CCCN ex55.01) is subject to a specific duty with an ad valorem equivalent of 2.3 per cent; solvent dyes n.s.p.f. (CCCN ex32.05, CCCN ex32.09) 23.0 per cent; leather footwear n.e.s. valued over US\$2.50 per cent per pair not for men, youths or boys (CCCN 64.02) 10 per cent.

86. Table 13 prepared on the basis of information taken from the GATT secretariat inventory of non-tariff measures shows that certain measures which have been notified and which affect a number of products of export interest to Sudan. It should be noted that such notifications do not necessarily establish the existence of non-tariff barriers to trade and that those measures which have been notified do not necessarily affect exports from Sudan. The table shows that Australia prohibits imports of molasses; Austria practices state trading with regard to cereals which are also subject to discretionary licensing; and beeswax which is of export interest to Sudan is subject to licensing in Canada. Imports of certain vegetable products into the EEC are subject to restrictions; in some cases the restrictions relate to specified members of the EEC only. Among the products affected by such restrictions are dehydrated onions; dried peas and beans; certain fruits and nuts; certain vegetable oilseeds; certain vegetable saps and extracts and certain vegetable oils. Imports of the following products into Finland are subject to discretionary licensing; certain dried peas and beans, certain fruits, certain vegetable oilseeds, certain vegetable oils, certain molasses, oilcakes. Japan applies global quotas to the importation of a number of products of export interest to Sudan; they include, crustaceans and molluscs, dried peas and beans, vegetable oilseeds, locust beans, nuts etc. Among the products subject to discretionary licensing are included shellac and other lacs and natural gums, certain nuts and food preparations, sheep and lamb skin leather.

Most products of export interest to Sudan are subject to quantitative restrictions of one form or the other in New Zealand but mostly global quotas. It must however be borne in mind that the import policies of this country are undergoing reform aimed, inter alia, at replacing quantitative restrictions with other measures. The following products of export interest to Sudan are subject to state trading in Norway: cereals, molasses and oilcake. Imports of molasses into Sweden are subject to licensing and quotas and those of cotton yarn are subject to bilateral quotas. Among the imports of Switzerland subject to quotas the following are of export interest to Sudan: cereals, seeds, certain dried peas and beans, oilcakes. Products of export interest to Sudan which are subject to global quotas on importation into the United States are groundnuts, molasses, food preparations such as macaroni, noodles etc, raw cotton and cotton waste.